TRUST COMPANIES IN THE UNITED STATES

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TRUST COMPANIES IN THE UNITED STATES

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PREFACE

This paper is not intended to be an exhaustive treatise on trust companies or on any particular feature of them, but is simply a brief discourse giving a general outline of the subject. The first chapter is of a historical character; it notes, among other things, the use of the term "trust" in titles of different corporations and refers to the development of trust companies in New York, Philadelphia, Boston and Chicago. Then follows a discussion of the functions exercised by trust companies and of their regulation by the State. The concluding remarks are a summary of what precedes, along with suggestions as to some of the causes leading to the growth of these institutions and the present place occupied by them; in this part, and elsewhere, a few criticisms and speculations are ventured. The appendices comprise sketches of two of the early trust companies, schedules of legislation and tables of statistics. The main paper and the appendices are in a great measure independent, and yet are somewhat connected, for the former advances many statements based upon the authorities which are quoted in the appendices, and the latter, in turn, owe their conception to the impressions formed by the writer while collecting materials for the essay.

The author realizes that the history of the trust company movement in the various sections of the country has been too much neglected in his study, and that the deficiency will be evident even in the rough analysis which he has attempted. The chief authorities consulted in the preparation of this work have been the laws of the different states and territories, the reports of the banking de-

partments of New York, Pennsylvania and Massachusetts, of the Auditor of Illinois and of the Comptroller of the Currency of the United States, the Bankers' Magazine and the Commercial and Financial Chronicle of New York. The two journals named publish the proceedings of the annual meetings held by the Trust Company Section of the American Bankers' Association and contain many other items relating to our subject. They have supplied the principal data for the accounts given of the companies in New York and Philadelphia, the comments made upon the functions of the institution in general, and much stated throughout the essay.

I desire to thank Dr. George E. Barnett of the Johns Hopkins University, and Mr. Charles H. Porter of Baltimore, for their services. I am under obligation to the Farmers' Loan and Trust Company of New York and Mr. Albert W. Rayner of Baltimore for the sketches furnished by them. These articles, in Appendices I and II, give a short history of the two companies, each of which is often referred to as the oldest trust company in America. The story of the New York Company is told by that company, the one of the Pennsylvania Company is mostly a compilation from its published history. I want to make particular recognition of the assistance rendered by Dr. J. B. Phillips of the New York State Library at Albany, New York, who, besides aiding me in other respects, prepared for me the schedules, in Appendix III, of bank and trust company legislation.

I must also make grateful acknowledgment for their many helpful suggestions to those of my friends who were kind enough to read my manuscript.

BALTIMORE, *May, 1902.*

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TRUST COMPANIES IN THE UNITED STATES

INTRODUCTION

Trust companies act as trustees and execute other forms of trusts.[1] Corporations exercising such powers are not entirely unknown elsewhere;[2] but on account of their remarkable growth and success in the United States they have become distinctively an American institution.

Trust companies have existed in this country for more than three-quarters of a century; their great development, however, has been within very recent years. They are not noticed in such books of general reference as the 1883 edition of Appleton's Cyclopedia or the ninth edition of the Encyclopædia Britannica. About the time of the issue of these works, trust companies began to attract more attention, and articles upon them are found in Appleton's Annual for 1885 and in the American Supplement of the Britannica.

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[1] Standard Dictionary; trust company, "a corporation whose business is to receive and execute trusts."

[2] Bankers' Magazine, New York, vol. 59, page 714, vol. 63, page 844. Commercial and Financial Chronicle, New York, vol. 70, No. 1802, page iii. Bankers' Magazine, London, vol. 56, page 165.

CHAPTER I

HISTORICAL

Institutions with Word Trust in Titles.

For a long time there appears to have been a more or less vague meaning attached to the word "trust" in the titles of corporations. In some respects there is at present greater confusion than ever, for the great industrial combinations which now occupy public attention are generally known as trusts.[1] Part of the popular prejudice existing against trust companies is due to this fact. The term in the sense of an industrial combination has a different meaning from what it has when used in connection with trust companies. A trust or combine conducts business solely on its own account, whereas a trust company, as such, manages the property of others.

A trust company is at present a distinct institution, nevertheless it must not be supposed that, because a company has the word trust in its official name, this necessarily indicates a corporation with the power to act as trustee. The term trust has long been used for titles of financial institutions, and has often been adopted with no other idea than that of signifying strength and inspiring confidence. The choice has not always been a proper one. Such was the case with the North American Trust and Banking Company of New York, whose failure some fifty years ago was referred to in the London Times of that day, as one of the numerous instances in the United States where there had

[1] Standard Dictionary: trust, "a combination of interests for the purpose of regulating and controlling by means of a common authority the use, supply, or disposal of some kind of property."

been gross mismanagement in financial matters.[4] The company had given its notes, bearing interest and secured by collateral, for a loan negotiated in England; and after it had failed, long litigation ensued for the possession of the collateral securities. The court at first held that the trust was void, and that the securities must be surrendered to the receiver; as a bank could only issue notes which were payable on demand and bore no interest.[5] This decision was finally reversed, and the English creditors were afforded protection.[6] It is interesting to note that there has been litigation in recent years on account of trust companies receiving deposits subject to check.[7]

As another example, we may refer to the Ohio Life Insurance and Trust Company, whose suspension in 1857 precipitated the panic of that year.[8] There are many illustrations in the past, as at present, that the titles of banks are often misleading, and that their names have at times been selected for the purpose of deception. In the list is the Wisconsin Fire and Marine Insurance Company,[9] of Milwaukee, a corporation that operated largely as a bank of issue in Chicago before the Civil War, and continued as an important financial institution in the West until it failed during the panic of 1893. The famous Manhattan Company[10] was formed in 1799 ostensibly as a company to supply the city of New York with water, and now under the perpetual charter that was granted a century ago does a large banking business.

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[4] Bankers' Magazine, New York, 1847, vol. 1, page 524.

[5] Bankers' Magazine, New York, 1847, vol. 1, page 227; 1849, vol. 4, page 596; 1852, vol. 7, page 340.

[6] Bankers' Magazine, New York, 1857, vol. 12, page 141; 1858, vol. 13, page 202.

[7] Note 110.

[8] History of Banking, Knox, 1900, p. 684. Bankers' Magazine, New York, vol. 13, p. 567; vol. 15, p. 313.

[9] Rhodes Journal of Banking, vol. 20, pp. 810, 886. Money and Banking, Horace White, 1896, p. 387. History of Banking, Knox, 1900, p. 740.

[10] Bankers' Magazine, New York, vol. 3, pp. 137, 678. Report of New York Superintendent of Banking, Dec. 27, 1899, p. 134.

It is not surprising that, with this freedom in the choice of names for banks, trust, a term of attractive significance, has been employed. A company with such a title readily suggests to the mind a safe depository for trust funds. The Attorney-General of New York in 1850, in a written opinion, spoke of savings banks as trust associations acting under corporate powers for the security of deposits.[11] In the Encyclopædia Britannica[12] a trust association is described as an institution which borrows money on debentures and invests the proceeds in loans of foreign states or similar securities. A high rate of interest is promised the investor, on the principle that the numerous investments of the association are on the average safe and yield a good income. As stated, the regular trust companies are not noticed in the Britannica.

When the early corporations were formed with powers to act as trustees, the feature was not considered of sufficient importance to constitute an independent business of itself or to establish a peculiar institution. The first charters, allowing the trust privilege, were given to insurance companies;[13] and for a long time the trust and insurance businesses were carried on together. Even when they began to be conducted separately, they were popularly regarded as the same class of operations; and this was particularly the case as to life insurance.

The United States Trust Company of New York was chartered in 1853; and, although it did not underwrite insurance risks, it was regarded at the time much the same as a life insurance company. The Bankers' Magazine[14] of 1856 calls the latter institution a trust company. It is an important trust, the magazine says, for it holds the savings of thousands of people to whom it has issued

[11] Bankers' Magazine, New York, vol. 4, p. 954.
[12] Encyclopædia Britannica, Article "Banking," vol. 3, page 328.
[13] Farmers' Fire Ins. and Ln. Co., note 21. N. Y. Life Ins. and Trust Co., note 22.
[14] Bankers' Magazine, New York, vol. 9, p. 324.

policies, and so assumes contracts which will in the end involve the payment of millions of dollars of trust funds.

At present a trust company is something more definite. With the growing importance of corporate bodies, the trust company has its part to perform. It is a corporation that receives and executes different forms of trusts; although, with many companies bearing the title, the word has not this significance.

In some states where no regulation exists to prevent, small concerns formed for advancing loans on furniture while in use, on salaries, and on such classes of security, select high-sounding names for their titles, and "trust," "guaranty," "loan," and the like, serve their turn with them. In New York [15] there existed for some years a restriction which prevented, except under the Banking or the Insurance Law, the formation of corporations with certain terms in their titles; until 1900, trust was not included in the list.[16] The omission was taken advantage of in the meantime, and, although under the Banking Act a trust company could not be organized in the Empire City with a capital of less than a half million dollars, under the Stock Corporation Law a company, having the word trust in its name, was formed to do an agency business with a capital of one thousand dollars.

Trust Companies in New York.[17]

The claim has been made that the first trust company in the United States was the Pennsylvania Company for Insurances on Lives and Granting Annuities, a corporation started in Philadelphia and still located there.[18] This company was chartered in 1812,[19] but did not receive definite

[15] Report of New York Superintendent of Banking, Dec. 27, 1899, p. xxix.
[16] New York Corporation Law, 1900, Sec. 6. Schedule xviii.
[17] Bankers' Magazine, New York, vol. 59, p. 718.
[18] Report of Pennsylvania Bank Commissioners, Part I, 1901, p. 655. Appendix II.
[19] Laws of Pennsylvania, March 10, 1812, Chap. 64.

powers from the legislature to act as trustee until 1836;[20] whereas the privilege was granted in New York to one company in 1822, and to another in 1830.

The Farmers' Loan and Trust Company, of New York, was incorporated in February, 1822, under the title of the Farmers' Fire Insurance and Loan Company, and later in the same year was empowered to execute all lawful trusts.[21] This appears to have been the first corporation in the United States to act as trustee. Another company in the state to be granted the power was the New York Life Insurance and Trust Company,[22] which was chartered with the right in 1830, and consequently antedated the Pennsylvania Company in this respect. The United States Trust Company[23] was chartered in 1853, and the Union Trust Company[24] in 1864. These four corporations are still in existence and among the great companies of the metropolis.[25]

For a number of years there continued to be very few trust companies in New York; and in 1874, when they had become more prominent and were first brought by a general law under the supervision of the Banking Department of the state,[26] only eleven[27] of them were in that city. Ten or twelve years after this,[28] the period set in that marked their growth, and in 1901 there were in New York and Brooklyn forty companies with combined capital, surplus and undivided profits of about one hundred and forty million dollars and resources of over nine hundred

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[20] Laws of Pennsylvania, Feb. 26, 1836, Act 25.

[21] Laws of New York, Feb. 28, April 17, 1822, Chap's 50, 240. Appendix I.

[22] Laws of New York, March 9, 1830, Chap. 75.

[23] Laws of New York, April 12, 1853, Chap. 204. Note 14.

[24] Laws of New York, April 23, 1864, Chap. 316. Note 146.

[25] Report of New York Superintendent of Banking, July 1, 1901.

[26] Bankers' Magazine, New York, vol. 61, p. 787. Schedules VII and VIII.

[27] Commercial and Financial Chronicle, New York, Jan. 10, 1885; vol. 40, No. 1020, p. 42. Table I (N. Y. State).

[28] Bankers' Magazine, New York, vol. 43, p. 659; vol. 45, p. 852.

million dollars, exclusive of the enormous amount comprised in the trust estates under their control.[29]

Prior to 1887 trust companies we created by special charters.[30] In this year the Trust Companies Act was passed providing a general law for their formation. Within five years thirteen new companies were incorporated under this law and one company with an old charter commenced business.

Subsequent amendments to the laws of the state have placed the trust companies on an equal footing with the banks in regard to loans and discounts.[31] By the act of 1901 the rates of taxation are fixed about the same for both institutions.[32]

The first corporations [33] that acted as trustees were not permitted to engage in banking, or, if allowed to accept deposits, were apparently given the power only for trust purposes. The trust companies of the present day make banking a main feature, and are not restricted as the banks are, in regard to investments or reserves for deposits.[34]

Trust Companies in Philadelphia.[35]

The first two trust companies in Philadelphia were the Pennsylvania Company,[36] already alluded to, and the Girard Life[37] Insurance, Annuity and Trust Company, chartered

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[29] Companies in New York and Brooklyn; Report of New York Superintendent of Banking, July 1, 1901.

[30] Laws of New York, June 8, 1887, Chap. 546; Bankers' Magazine, New York, vol. 59, p. 718. Schedule V.

[31] Laws of New York, May 18, 1892, Chap. 687, §19. Banking Law of New York, Art. IV, Sec. 156, 2. Bankers' Magazine, New York, vol. 59, p. 719. Schedules II and XIII.

[32] Bankers' Magazine, New York, vol. 62, p. 741. Schedule XVII.

[33] Notes 19 to 23.

[34] Banking Law of New York, Art. II, Sec. 43 and 44. Political Science Quarterly, June, 1901, p. 250, article "Trust Companies," by A. D. Noyes. Schedules XII and XIV. See pages 43, 44.

[35] Bankers' Magazine, New York, vol. 59, p. 713.

[36] Notes 19 and 20.

[37] Laws of Pennsylvania, March 17, 1836, Act 41.

in 1836. Both corporations were empowered in the last named year to receive real and personal property in trust, but were forbidden to exercise banking privileges. After the Pennsylvania Company had been granted the right to execute trusts, the Girard Company was chartered with the same powers. In 1853 the former [38] was authorized to act as administrator and executor, and in 1855 the latter [39] was allowed to do so. By the law of 1856 [40] foreign trust companies could, under certain conditions, be represented in the state, but none took advantage of the privilege; and as no other domestic companies entered the field until 1865, the two original companies remained without competitors up to that time. In the eight years following about thirty-seven new charters were granted; very few of them, however, were used. It was at this period that the life insurance and trust businesses began to be carried on separately. In 1866 the Fidelity Insurance, Trust and Safe Deposit Company [41] was incorporated. It was the first company in Pennsylvania that had the power to underwrite fidelity insurance. This business "has since constituted an important branch in most Pennsylvanian companies." In some states [42] the two classes of operations are not combined.

The constitution of Pennsylvania of 1873 [43] required that all future corporations should be formed under general laws, and this provision led to the passage of the General Corporation Act of 1874.[44] No reference was made in that act to trust companies, an omission which has been held to be due to a lack of interest in the matter and not to any hostility to such companies. This apparent oversight prevented the formation of new companies until 1881, when

[38] Laws of Pennsylvania, March 26, 1853, Act. 164.
[39] Laws of Pennsylvania, Feb. 15, 1855, Act 40.
[40] Laws of Pennsylvania, April 9, 1856, Act 300, Sec. 1.
[41] Laws of Pennsylvania, March 22, 1866, Act 257.
[42] Schedule I.
[43] Constitution of Pennsylvania, Art. III, Sec. 7.
[44] Laws of Pennsylvania, April 29, 1874, Act 32, Sec. 2

the law was amended to correct the defect. In 1881 there were eight trust companies in the Quaker City. In 1901 [45] there were forty-four companies with combined capital, surplus and undivided profits of about seventy million dollars.

By the amendment of 1881 to the Corporation Act the title insurance companies were given trust, surety and safe deposit powers, and were permitted to receive on deposit and in trust both real and personal property.[46] The law of 1881 forbids trust companies doing a banking business,[46a] and requires them to keep trust funds separate from their own assets.[47]

Trust companies in Philadelphia receive demand deposits, but it has been until recently a mooted question, whether they have had the legal right to do so. The Bankers' Magazine,[48] in 1898, called attention to the fact that under the provisions of the constitution of Pennsylvania no corporation with banking and discount privileges could be organized without three months' public notice at the place of intended location.[49] The legislature, this authority remarked, could not dispense with a constitutional requirement, and on general principles it was to be supposed that the trust companies had not given the necessary notice. No decision construing the term "banking," as used in the constitution, had come under observation; but the opinion was expressed that it would be held to mean, among other things, receiving, like the banks, deposits subject to check. The law of 1885 gave additional powers to trust companies; necessarily this particular privilege, the article

[45] Report of Commissioner of Banking of Pennsylvania, 1901, Part I.

[46] Laws of Pennsylvania, May 24, 1881, Act 26, Sec. 1. Schedules I and V.

[46a] Laws of Pennsylvania, May 24, 1881, Act 26, Sec. 1.

[47] Laws of Pennsylvania, May 24, 1881, Act 26, Sec. 5. Bankers' Magazine, New York, vol. 59, p. 717. Note 29.

[48] Bankers' Magazine, New York, 1898, vol. 56, p. 100.

[49] Constitution of Pennsylvania, Art. 16, Sec. 11.

said, would not be implied if in violation of the constitution. Under a decision, rendered by a federal court in 1900, trust companies in Pennsylvania may legally receive demand deposits.[80] Such being the case, these companies have full banking powers,[81] except those of discounting paper and of issuing bank notes.

Trust Companies in Boston.

The first trust company in Massachusetts was the New England Trust Company, chartered in April, 1869, by a special act of the legislature.[82] It was empowered to execute trusts, to receive money on deposit and to make loans on real estate and other securities. The following companies were later granted similar privileges by the legislature; the Northampton Loan and Trust Company[83] in 1870, (this became in 1875 the Massachusetts Loan and Trust Company, of Boston),[84] and the Boston Safe Deposit and Trust Company in 1874.[85] These companies were required by their charters to make reports to and be examined by the Commissioners of Savings Banks. In 1874 the Commissioners stated in their report that the companies named did an ordinary banking business, except the Northampton, which did not receive deposits.[86]

A general law was passed in 1888 providing for the incorporation and regulation of trust companies. Under this act, corporations may be formed with powers like those of the earlier trust companies; they may invest in the same

[80] 105 Federal Reporter (U. S.), 491. (Case of Bank of Saginaw vs. Title and Trust Co., U. S. Circuit Court of Penna., Dec. 26, 1900); Bankers' Magazine, New York, vol. 62, p. 561.

[81] Schedule II.

[82] Laws of Massachusetts, 1869, Chapter 182.

[83] Laws of Massachusetts, 1870, Chapter 323.

[84] Laws of Massachusetts, 1875, Chapter 16.

[85] Laws of Massachusetts, 1867, Chapter 151; 1874, Chapter 373.

[86] Report of Massachusetts Commissioners of Savings Banks, 1874, p. 176.

securities as the savings banks—the only state banks in Massachusetts—and may loan money on collateral. Trust companies are under the supervision of the commissioners of savings banks.[57]

In 1898 there were thirty-four companies in the state authorized to execute trust powers, but only eleven had trust departments.[58] In 1901 [59] there were in the state thirty-six companies of the former and fifteen of the latter class, and in the city of Boston the figures were respectively seventeen and eight.

Trust Companies in Chicago.

Many banks were incorporated by the legislature of Illinois between 1855 and 1870 with the word trust in their titles. Although these institutions were generally empowered to "accept and execute trusts," banking was the main feature of their charters.

The Merchants' Loan and Trust Company, chartered in 1857, was one of the earliest companies of importance in the state to act as trustee.[60] As was the case with other companies of this class, it was authorized to engage in banking, except the issue of notes. Among the early corporations exercising similar banking and trust powers were the Chicago Loan and Trust Company,[61] chartered in 1857, and the Real Estate Loan and Trust Company,[62] in 1861; both are out of existence.[63]

The constitution of 1870 [64] required the incorporation of banks and trust companies under a general law. No action

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[57] Laws of Massachusetts, 1888, Chap. 413. Schedules VII and VIII.
[58] History of Banking, Knox, p. 370.
[59] Report Massachusetts Commissioners of Savings Banks, 1901.
[60] Private Laws of Illinois, 1857, p. 82.
[61] Private Laws of Illinois, 1859, p. 401.
[62] Private Laws of Illinois, 1861, p. 462.
[63] Not in Report of Auditor of Illinois, Dec. 11, 1901.
[64] Illinois Constitution, Art. XI, Sec. 5, 6, 7, 8.

was taken in regard to trust companies until 1887, when banking laws were passed under which banks and other authorized companies were granted trust powers upon the proper deposit of securities with the auditor of the state.[85] In Illinois the trust companies, as such, do not have banking powers, but banks may qualify under the trust act, thus combining the powers of a bank and trust company.

In 1901 eighteen home banks and companies and six foreign companies were qualified to execute trusts in the state. In the same year there were two Chicago trust companies operating under the General Corporation Law and six under the Banking Law; the latter class had capital, surplus and undivided profits amounting to about $18,000,000.[86]

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[85] Illinois Revised Statutes, 1901, Chap. 32, §§129-147.
[86] Report of Auditor of Illinois, Dec. 11, 1901.

CHAPTER II

FUNCTIONS OF TRUST COMPANIES[87]

Trust companies exercise, among other powers, those of trustee, executor, administrator, guardian, committee, receiver, assignee, transfer agent, registrar, investment agent, fiscal agent, promoter, underwriter, &c. They do also a guarantee, safe deposit and general banking business.

(a) Trustee under a Will, Executor, etc.[88]

In former times, when a man was about to make a will disposing of his property after death, he would recall to mind his acquaintances, and from their number would make a choice of one or more, best qualified in his opinion to settle his estate, or to act as trustee or guardian for certain wards. On account of unwise selections, the beneficiaries under wills frequently suffered loss.

It is said that this difficulty has been overcome by having corporations with large capital to act in such capacities; and, without doubt, much good has been accomplished by these institutions. A great trust company has a capital and surplus which are imposing. With the large volume of business under its charge it can establish special and well organized departments, by means of which trust estates may be intelligently managed and complete records in regard to them kept. A bonding company, however,

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[87] Commercial and Financial Chronicle, New York, Bankers' and Trust Supplement, Sept. 3, 1898; Articles of Trust Co. Section.

[88] Commercial and Financial Chronicle, New York, Bankers' and Trust Supplement, Sept. 3, 1898, pp. 63, 71. Bankers' Magazine, New York, vol. 57, pp. 528, 536, 545.

may now guarantee the financial responsibility of an individual, and, at times, it is proper to select an individual rather than a corporation as executor or trustee.

(1) Trustees for Real Estate.

Differences of opinion exist as to whether an individual as the trustee, or a trust company, manages real estate better. The impression prevails with some that an individual generally gives more attention to small details, and makes closer investigations when tenants desire changes or repairs made to property. The result is, it is contended, that frequently he either refuses altogether the request for an improvement on a house, or makes a less expenditure answer; whereas, under similar circumstances, a trust company grants all that is asked.

On the other hand, the claim is made that the agent of a corporation is not likely to consent to extravagant outlays. The reason advanced is that this person must submit his work to the supervision of higher officials who are removed from the influence of sentiment and regard all transactions from a business point of view. It is further held that the individual as trustee, having the sole authority to render a final decision, is more subject to be swayed in an unguarded moment by the personal appeal of an applicant to whom he is easily accessible.

It may be that the individual as trustee makes greater effort than a trust company to reduce expenditures, nevertheless a more liberal policy may, as a rule, be wiser. Liberality may tend to keep tenants, while the opposite course may drive them away. When an old tenant leaves, usually the property must be improved to secure a new one, and possibly at greater expense than may have been necessary to have kept it occupied; besides, there is to be considered the loss of rent, while the premises have been idle.

The question resolves itself at last in this, as in other business matters, into one of honest and intelligent man-

agement of each particular case. It is, however, a belief of some whose opinion should have weight, that better results are generally obtained from this class of property under the care of individuals than under that of corporations.

(2) Trustee for Personal Property.

Some contend that a trust company as trustee may dispose of the houses and lands at a sacrifice in order to distribute the proceeds of an estate without delay, or to make investments in personal property, because the latter can be handled with less trouble and at greater profit.

A trust company is in a favorable position to decide intelligently about the various securities on the market. It should unquestionably be better informed in this respect than is ordinarily a private individual, most of whose time is occupied with matters of an entirely different character. The point is made that a company may use its office as trustee to unload securities in which it is interested. The weakness of human nature may be counted upon, and perhaps the judgment of officials is at times influenced in an undue manner to turn over to an estate securities with which their company has been connected in floating. The dividends of a trust company are often largely increased by the liberal commissions which it receives for underwriting various schemes; and it is advantageous to have a place to dispose of the investments acquired. Injury may be done to an estate in this way; but such is not necessarily the case, for transactions of this kind may occur without loss to the beneficiaries of a trust.

A claim made in favor of the companies as executors, trustees, guardians, etc., is that their great wealth and prominence put them in position to command ample funds for the protection or development of interests committed to their care. Individuals in these capacities have often acted liberally, and, on account of friendship, have made large advances and assumed personal risks. An individual,

as guardian of minors or of incompetent persons, may, for special reasons, feel a deeper concern in his ward than will the officials of a corporation.

An individual may be better able than a corporation to evade the payment of taxes upon an estate.[69] This fact, at times, has its influence in the selection of an executor or trustee.

As seen in the brief survey, advantages rest in certain instances with an individual in these fiduciary relations. Nevertheless, if one will weigh the uncertainties as to capacity, responsibility, integrity and duration of life, it will often be decided that better results may be expected from a large and conservatively managed trust company than from an individual, especially in cases covering long periods of time.

(b) Assignee and Receiver.[70]

Much that has been said in this discussion relative to executors and trustees under wills applies to assignees and receivers. In the receivership of railroads the choice has usually fallen upon individuals. Many of the great railroad systems of the country have in late years gone into the hands of receivers; and although trust companies have been prominent during this period, individuals have generally, if not always, been appointed by the court to take charge of affairs. Under the present arrangements, by coöperating with the receivers, trust companies and other banking concerns have reaped great benefits, and in reorganizations of bankrupt railroads they have found a lucrative business.

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[69] Laws of Maryland, 1890, Chap. 544, p. 658. (Trust companies are required to report to the Tax Commissioner the trust funds in their care, so that these funds may be assessed for taxes.)

[70] Commercial and Financial Chronicle, New York; Bankers' and Trust Supplement, Sept. 3, 1898, p. 68. Bankers' Magazine, New York, vol. 57, p. 533.

(c) Trustee under Mortgage Deed.[n]

Trust companies have almost entirely absorbed the business of acting as trustees under the mortgage deeds of railroad and industrial corporations. This is an improvement over the old practice of having individuals serve in this capacity.

Bonds are frequently issued for long terms, and trustees without a corporate existence would probably not live to the expiration of the trust. A company has generally a greater prominence than an individual, and its legal residence may be more easily determined. The bonds of railroads and other corporations have often a market of more than national extent, and it is important as regards the sale of the securities, as well as the protection of the eventual holders, to select proper trustees. But a trustee, as such, does not act as a guarantor of the bonds in case of default.

In certifying to an issue of bonds, the trust company that acts as trustee affixes to each bond a trustee's certificate. The form of such certificate may be:

Trustee's Certificate

(1) This bond is one of the series of bonds described in the mortgage or deed of trust within mentioned.

(name of trust company)

Trustee.

Or the body of the form may be somewhat as follows:

(2) It is hereby certified that this bond is one of a series ——bonds of ————dollars each, secured by the within mentioned mortgage or deed of trust.

(3) (Name of trust company) as trustee hereby certifies that this bond is one of a series of————bonds mentioned and described in and secured by the mortgage within referred to.

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[n] Bankers' Magazine, New York, vol. 61, p. 780.

(4) (Name of trust company) hereby certifies that this bond is one of a series of bonds described in the mortgage or deed of trust within mentioned, and has been certified by this company in accord with the terms of said deed of trust.

(5) This bond is one of a series————bonds of—— Company issued under the mortgage executed by said company to the undersigned as trustee, dated and referred to in such bond.

Some trust companies have a word like "guarantee" in their titles.[72] When this is the case, the trustee's certificate may be specially misleading as an indication that it is a guarantee of the payment of the bond.

A trustee may limit very narrowly his liability by a statement of the fact in the deed of trust. It is the business of a trust company to protect itself when serving in this capacity. Nevertheless, as a particular trustee may be chosen to give standing to a security, the limitations of the liability should be so stated that the terms may be easily observed and understood by an ordinary purchaser. There should be used no equivocal or misleading expressions. As regards a certain class of bonds, it may not be right to obligate the trustee to attend to the recording of the deed. But, if a trust company assumes the office of trustee under a mortgage deed of a railroad or industrial corporation, it seems proper to make it the legal duty of the trustee to see that the deed has been recorded in due form, and that the recitals contained in the same are substantially correct. Where securities change ownership simply by delivery of hand and are extensively dealt in, as is the case with these bonds, each indorsement that is made upon them by a responsible company to promote their sale should carry with it the proper legal liability. There should be no escape

[72] Guaranty Trust Co. of New York; Baltimore Trust and Guarantee Co.

through the employment of indefinite terms, or of expressions, clear in themselves but easily overlooked or misunderstood on account of the manner of presentation.

(d) Trustee under Private Agreement.[73]

Trust companies act as trustees under private agreements, and almost their entire trust business, except that which is done under the order of the court, is of this character. Their powers in these numerous instances necessarily vary with the conditions of the trust. Whether an individual or a corporation may be the proper choice will especially depend upon the circumstances attending each particular case.

Where large corporate and individual interests have been concerned, trust companies, in recent years, have occupied a conspicuous place as trustees. In the reorganizations that have resulted from railroad and industrial combinations and in the promotion of new industries, these companies have become the depositories of bonds, titles and equities of corporations, firms and individuals. Although they have not been absolutely necessary for the development of the enterprises with which they have been connected, they have been important factors.

Trust companies act under private agreement as transfer agents and registrars of corporations; and this feature will be discussed next under a separate head.

(e) Transfer Agent and Registrar.[74]

The duties and responsibilities of transfer agents and registrars are similar. A transfer agent transfers the

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[73] Commercial and Financial Chronicle, New York, Bankers' and Trust Supplement, Sept. 3, 1898, p. 70. Bankers' Magazine, New York, vol. 57, p. 525.

[74] Commercial and Financial Chronicle, New York, Bankers' and Trust Supplement, Sept. 3, 1898, p. 58. Bankers' Magazine, New York, vol. 57, p. 514; vol. 61, p. 756.

stock of a corporation; that is, upon request, it passes upon the evidence of the transfer of title, and when such evidence is considered satisfactory, issues a new certificate. A registrar keeps a register or record of all the stock issued. A corporation may employ both agencies, the registrar acting as a check upon the transfer agent.

The practice of having transfer agents, though older than that as to registrars, appears to be modern. The growth is one incident to business requirements. It may not always be convenient for a company to have the delegated officers at hand to transfer the stock. It may be desirable to have a transfer office in a different place from the main office, or to have more than one transfer office.

The custom of employing a registrar is due, according to one authority, to the fact that in New York, some years ago, a transfer agent of a railroad company, who was also its president, was guilty of an over-issue of the stock of the company.[75] Disclosures made in the investigation of this affair and irregularities of a similar character in other corporations finally had effect. In 1869 the New York Stock Exchange passed a rule requiring all stocks dealt in upon that exchange to be properly certified to by a responsible registrar.

The appointment to such positions may be made simply by a resolution of the directors of the corporation for whom these agents act. In the absence of expressed agreements, uncertainty exists about the measure of legal responsibility assumed in these transactions, except in regard to loss arising from glaring neglect of duties. An attorney, connected with a trust company, has expressed the following view: if one of these agents, desiring to protect himself, asks his principal for instruction how to act and the principal refuses to give any orders, on the ground that

[75] Commercial and Financial Chronicle, New York, Bankers' and Trust Supplement, Sept. 3, 1898, p. 61 (New York & New Haven R. R. Co.).

the agent in accepting the office is supposed to have known its duties, it will be difficult to assail the position.[76]

The investing public is deeply concerned in the work of these agencies. A certificate of stock, for instance, is issued; upon it is the indorsement of a well-known bank or trust company that the certificate is genuine and is what it is represented to be on its face. Afterwards there proves to be some irregularity in the issue. In such a case the innocent holder will, no doubt, feel that he has a just claim against the party making this authentication; that the claim should be enforcible by law, and should not be debarred by a plea set up that the agent has used care in executing the duties of his office, but has himself been deceived. The statement is made that certain brokers of prominence have been under the impression that a security has been guaranteed to some extent by the indorsement of a registrar, and that the use of this agency has represented "many things beside the fact that the certificate" has been "within the stated issue."[76a]

Specimens of the forms used on certificates of stock by trust companies or other corporations acting as registrars or transfer agents are as follows:

(1) Countersigned and registered
this———day of———190
(name of Trust Company) Registrar.
by————————
(officer).

(2) Registered this——day of——190
(name of Trust Compnay) Registrar, or Transfer Agent.
by————————
(officer).

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[76] Bankers' Magazine, N. Y., vol. 61, p. 762.

[76a] Commercial and Financial Chronicle, New York, Bankers' and Trust Supplement, Sept. 3, 1898, p. 62.

(3) Countersigned and transferred this—day of—190
(name of Trust Company) Transfer Agent.
by ————————
(officer).

(4) Countersigned this——day of——190
(name of Trust Company) Transfer Agent.
by————————
(officer).

Some certificates have a paragraph in them which reads: "this certificate is valid only when countersigned by (name of Trust Company) registrar or transfer agent."

Where bonds may be registered, the fact is generally stated and the following form is always used:

Date of Register.	In whose name registered.	Transfer Agent

Bonds are usually registered as to principal only, but in some cases a corporation will, on surrender of a bond and coupons, issue a registered security, covering the principal and interest.

If the trust companies which act in these capacities desire to disclaim all liability for their certification, the question naturally suggests itself, why are not the indorsements made in such a way as to signify this without any room for doubt? The reason assigned for the omission is that the public have become accustomed to the present form, and that a different character of certificate if introduced may possibly be viewed with suspicion. A change that may injure the market for securities is not likely to be adopted, especially when there is strong competition among trust companies to obtain the business. As the present form of certification may indicate to an ordinary buyer a certain guarantee, this fact, it seems, if a case arises for judicial determination, ought to have great weight in fixing the legal liabilities of the parties who use it.

The matter is complicated, as the transfer agents and registrars may be residents of different states from the companies which they represent; and these states may have more or less conflicting laws. It is recognized by their counsel that trust companies in performing these functions, as they frequently do, may incur great liabilities, and that the small charges made for the services are by no means commensurate with the risks assumed.

CHAPTER III

AUXILIARIES TO TRUST BUSINESS

(a) Fidelity Insurance.[77]

Trust companies conveniently carry on, as auxiliaries to their regular business, other branches—such as one for fidelity insurance—which may prove profitable. An individual under bond is, at times, preferred as a trustee or executor to a corporation. A trust company which can bond the individual for the office may often not only extend its transactions into a new field, but also retain old business that will be otherwise lost to it.

Fidelity insurance is guaranteeing the honesty or financial ability of parties. It is a kind of business which, in the opinion of many, a trust company should not conduct, and in some places is not permitted to do so.[78] A company was started in London,[79] fifty years or more ago, especially to furnish surety bonds. Experience in the past seems to have demonstrated the advantage of different concerns acting as trustees from those underwriting fire and life insurance; and the indications now appear to be that the trust and fidelity businesses will be mostly developed apart.

There are at present only a few large American fidelity—or as they are also called surety, guarantee or bonding—companies.[80] Some of these perform all the functions [81] of

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[77] Schedule I.

[78] Schedule I. Note 46.

[79] Bankers' Magazine, New York, vol. 4, p. 249 (Guarantee Society).

[80] Handy Chart, published by Spectator Co., New York, 1902. The Spectator, New York, vol. 67, No. 15, p. 177. Baltimore Sun, May 28, 1901.

[81] Fidelity and Deposit Co., Baltimore, Laws of Maryland, 1890, Chap. 263, p. 282.

trust companies, except executing certain forms of trusts, and some have the word trust in their titles.[82] As bonding companies compete in many ways with trust companies and a number of trust companies act as bondsmen, there is no wonder that the public mind confuses the two institutions.[83]

(b) Title Insurance.[84]

It has already been noted that trust companies are formed in Pennsylvania under a general law allowing title insurance companies to exercise trust powers. In some states[85] the two features are not combined, and distinctive title insurance companies exist; these latter confine themselves to the title business, or make it their main one in case they carry on banking and other operations.

Title insurance requires a special plant for the work. Either a trust or a bonding company can acquire this plant, and each is in a favorable position to conduct a title insurance department. The former may examine or guarantee titles for the estates under its charge, or offer its services to its numerous patrons who constantly consult it about such matters. The latter is in close association with attorneys to whom it furnishes bonds, and through this means may coöperate further with them. The business appears to be well suited to both institutions; but many contend, and with force, that a trust company should not engage in an insurance business.

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[82] American Bonding and Trust Co., Baltimore (American Bonding Co. by law of 1902), Laws of Maryland, 1894, Chap. 252, p. 335. Corporations in Maryland, acting as trustees without usual bond, cannot incur liability of surety: Laws of Maryland, 1892, Chap. 279, p. 391. Schedule I.

[83] In Philadelphia the trust companies do surety business. Note 46. Schedule I.

[84] Schedule I.

[85] Schedule I.

(c) Safe Deposit.[86]

Although safe deposit companies are said to be an ancient institution, it has only been within recent years that they have become of importance. Much, at present, called wealth is in the form of evidences of debt, paper securities, a large amount of which changes ownership by delivery of hand. The great growth of this class of property, which may be easily lost or destroyed, has created a demand for specially guarded vaults for its safekeeping. Before the existence of modern safe deposit companies the vaults of regular banks were to an extent employed for the storage of valuables, and perhaps generally without cost. Some banking concerns still offer these accommodations, free of expense, to their patrons, but, in the main, safe deposit companies now perform this service and charge for the same according to the space occupied or the value of the property stored.

To prevent improper visitations, one of the earlier of the modern companies established a code of pass-words and other formalities.[87] This rigid system is no longer, as a rule, if at all, in operation, and it now requires little difficulty on the part of any respectable person to rent a box in such an institution and gain entrance into its vaults. Private watchmen and detectives may be employed to guard the buildings of safe deposit companies, and a system of mechanical enunciators may be used. But, aside from these arrangements, the only additional precautions of the kind that are taken—and they appear in their results to be all that are necessary—are to station, during business hours, special guards at the doorways and in the interior of the vaults. The doorkeepers are on duty to note the exit and entrance of visitors and to stop those not entitled to pass. The inside keepers are to observe that the indi-

[86] Bankers' Magazine, New York, vol. 21, p. 316; vol. 26, p. 632; vol. 61, p. 769. Schedule I.

[87] Bankers' Magazine, New York, vol. 26, p. 163.

viduals who enter the vaults get into their own safe deposit boxes and into no other.

The safe deposit business, though at times conducted as a separate and distinct one,[88] may be and is satisfactorily carried on by trust companies. Those who use the safe deposit vaults of a trust company get into the habit of visiting its office, and, when in want of information about an investment, a trusteeship, or some other matter, are likely to consult one of its officials. A trust company has often a large number of estates under its charge, and is compelled to supply a safe place of deposit for the securities belonging to these various trusts. In furnishing places of this order to the public it advertises itself and gains a revenue at little extra expense.

A person may enter the safe deposit vaults of a trust company, open his box, clip off his coupons and deposit them afterwards with the banking department for collection. He may buy securities from the trust company, when he desires to make investments; he may employ it virtually as a broker, solicitor and policeman, and may secure through it protection from outside attacks and from the mistakes of inexperience.[89] He may during his life transact his whole financial business through this one office, and after his death the same institution may take complete charge of his affairs.

(d) Fiscal Agency.

Trust companies keep in close touch with varied interests of the country. They act as fiscal agents of states, counties, municipalities, and railroad and industrial corporations. They become large depositories of funds and negotiate extensive loans. The securities which they obtain they may offer to clients or turn over to estates under their charge. But the estates receiving the securities are

[88] Table II. Schedule I.
[89] Bankers' Magazine, New York, vol. 58, p. 506.

not always properly protected.[80] Brokers also distribute investments acquired by trust companies and, on account of their influence, are often directors of these companies.

(e) Savings Bank.

Trust companies enter into competition with other financial institutions of the country. They take an active part in promoting railroad and industrial enterprises and engage largely in the general banking business. They receive small sums of money at interest, and have in some places diverted deposits from the savings banks. The latter have a strong hold upon the public confidence, but they may later feel, to a greater extent, the effects of the changes which have taken place in financial conditions.

Formerly savings banks invested particularly in real estate mortgages. They put, at present, much of their funds in government, municipal, railroad, street railway and like securities. Investments of this kind are widely advertised by trust companies and other dealers, and, no doubt, many who once deposited in savings banks no longer do so, but buy stocks and bonds. Savings banks work on a narrow margin and may soon be forced to reduce their dividends. Even if trust companies, as has been insisted,[81] are subjected for this class of deposits to the requirements made of the savings banks in some states, they may still afford to pay a higher rate of interest than their competitors, for the expense of operating a savings department, as a branch of a large banking business, is relatively small.

Many of the savings banks are conducted on the mutual basis, their resources being supplied entirely by their deposits and accumulated earnings. By the side of this, the capital and surplus, and the additional liability[82] of stock-

[80] Page 23.

[81] Bankers' Magazine, New York, vol. 46, pp. 695, 931. Rhodes Journal of Banking, vol. 18, p. 167; vol. 20, p. 1190.

[82] Schedule XI.

holders of the great trust companies, make an impressive showing. The large savings banks, with enormous deposit lines[93] and volume of business, can keep down the expenses of operation to a small percentage; having this advantage and prestige, they may long be able to maintain their leading position. On the other hand, it is different with the smaller mutual savings associations. These have a struggle for existence; and, although many new ones are continually springing up—as it is easy to start a bank of this character—their future is not bright. The banks whose charters allow a wide field of operation have a better chance of success.

(f) Deposit and Discount Bank.

Prior to 1873, leading financial journals made little reference to trust companies.[94] About this time the banks, feeling the competition, began to complain that they were taxed more heavily and subjected to greater restrictions than their rivals.[95]

From the period beginning with, say 1885, there was a further development of trust companies in New York and some other places. Among these corporations were ones which were principally engaged in floating and guaranteeing Western loans, and were really mortgage, loan or investment companies.[95a] But many of them conducted a regular banking business and were of the type that now prevails. At this time the complaints of the banks became

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[93] Report of the New York Superintendent of Banking, Feb. 26, 1901, p. 160, Bowery Savings Bank, New York, deposits $70,000,000, surplus $10,000,000; p. 173, Emigrant Industrial Savings Bank, New York, deposits $60,000,000, surplus $10,000,000.

[94] Commercial and Financial Chronicle, New York, Jan. 20, 1883, vol. 36, No. 917, p. 65. Note 141.

[95] Rhodes Journal of Banking, vol. 13, pp. 741, 788. Bankers' Magazine, New York, vol. 59, p. 472.

[95a] History of Banking, Knox, page 347.

decidedly pronounced.[96] It was especially observed that certain large deposits, which had been carried with the banks without interest, were decreasing. What was the cause? The trust companies paid interest[97] on deposits and consequently attracted them. Opposition still continues against trust companies, but not to the same extent as formerly; indeed, in some quarters, where there was hostile criticism, there is now favorable comment.[98] In 1897 the American Bankers' Association inaugurated a special section for trust companies.[98a]

Possibly sentiment in regard to trust companies has changed, because it is realized that they are now firmly established, and that, although they compete somewhat with the older corporations, the interests of the two are closely allied.[99] In the first place the same men[100] are often connected with both, and in the second the trust companies are among the largest depositors of the banks.[101] Through the banks the companies use the clearing house—an important agency in facilitating exchange and one exercising considerable influence upon financial affairs. No trust com-

[96] Table I. Bankers' Magazine, New York, vol. 43, pp. 659, 721; vol. 45, p. 852; vol. 46, p. 695; vol. 50, p. 599. Commercial and Financial Chronicle, New York, Jan. 10, 1885, vol. 40, No. 1020, p. 42. Rhodes Journal of Banking, vol. 18, p. 301.

[97] Bankers' Magazine, New York, vol. 43, p. 721; vol. 45, p. 852; vol. 50, p. 600. Rhodes Journal of Banking, vol. 13, p. 818. Commercial and Financial Chronicle, New York, vol. 67, No. 1728, p. 251.

[98] Bankers' Magazine, New York, vol. 50, p. 599; vol 58, pp. 506, 507; vol. 59, pp. 471, 472; vol. 61, p. 157.

[98a] Page 6.

[99] Commercial and Financial Chronicle, New York, vol. 69, No. 1780, p. 260; Bankers' Magazine, New York, vol. 59, p. 346.

[100] Rhodes Journal of Banking, vol. 16, p. 1178. Commercial and Financial Chronicle, New York, vol. 70, No. 1804.

[101] Rhodes Journal of Banking, vol. 13, p. 959. Bankers' Magazine, New York, vol. 50, p. 599. Report of New York Superintendent of Banking, July 1, 1901. Note 117.

panies belong to the New York Clearing House.[102] In 1899 this association passed a rule that the trust companies, which employed its service, should be subject to examinations and make reports similar to those exacted of non-member banks.[103] This regulation seems to be reasonable, and also that passed in 1902 in regard to cash reserves, yet these requirements, if they conflict with certain interests, may possibly not be strictly enforced, as the trust companies have friends in the association. The trust companies, moreover, have apparently sufficient power to establish, should it be necessary, a separate exchange, but, at present, too great a community of interests may exist for such an action.[104]

Trust companies perform many of the functions of the regular banks, and although they do not possess the right of note issue, like the national banks, they are not hampered to any extent on this account, for note issue is not the profitable feature it was.[105] In place of this privilege that they lack, they have some advantages over these banks.

Trust companies in late years have usually accepted demand deposits, even in states where there has been a question whether they have had the legal right. Reference has already been made to the status of the case in Pennsylvania.[106] In Minnesota,[107] during a period of ten years previous to 1894, a number of conferences between representatives of the trust companies and the attorney-general of that state took place in regard to the powers of the companies to receive these deposits. The statutes of 1883 allowed trust companies to do a banking business as

[102] Bankers' Magazine, New York, vol. 61, p. 712. Clearing Houses, by J. G. Cannon, New York, 1900.

[103] Commercial and Financial Chronicle, New York, vol. 69, No. 1794, p. 991. Bankers' Magazine, New York, vol. 59, p. 777. Clearing Houses, Cannon, p. 157. Note 120[a].

[104] Bankers' Magazine, New York, vol. 59, p. 472.

[105] Note 168.

[106] Note 50. Schedule II.

[107] Bankers' Magazine, New York, vol. 48, p. 392.

therein provided; but the provisions were so indefinite that a conflict of opinion prevailed as to the proper construction. Some companies received demand deposits, others refused them. By the law of 1894 the companies are not permitted to engage in banking.[108]

In 1894 the Supreme Court of Missouri decided that a trust company had no legal power to take deposits subject to check, and that by doing so it violated its charter. But this act, according to the court, did not make the company a bank.[109] The officers who received such deposits, when the company was insolvent, were held not to be criminally liable, as they might have been, had the institution been legally empowered to do a banking business. In 1898[110] the court in that state decided that a trust company had no power to receive deposits payable by check on which interest was not paid. The Bankers' Magazine,[111] in commenting upon the matter, said that as no rate of interest was fixed by the law, it would require little ingenuity to overcome the effects of this decision; for instance, by allowing a nominal rate of interest. In fact, trust companies in Missouri now receive demand deposits.[112]

These and other illustrations rather indicate that trust companies have, in some states, developed their banking departments outside of their recognized powers under the law. A reference to the charters of the first companies in New York and Pennsylvania emphasizes this fact, for it is there seen that banking is forbidden. It appears that the companies were originally established to manage estates and not to be banks, the latter being an institution which, according to the public sentiment of the time, should be under special regulations.[113]

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[108] Schedule II.
[109] Bankers' Magazine, New York, vol. 50, pp. 60, 200.
[110] Ibid., vol. 57, p. 85.
[111] Ibid., vol. 57, p. 16.
[112] Schedule II.
[113] Note 33. Page 18, Trust Co.'s in Boston; p. 19, Trust Co.'s in Chicago.

As clear ideas did not always prevail as to what constituted banking operations outside of note issues;[114] and as at times laws were passed and charters were given that were susceptible of different interpretations, some trust companies began to claim and exercise powers that were originally not intended to be allowed, if not strictly forbidden. In this way it would appear that they escaped regulations under which the banks were placed.

Legal exactions have been made of one institution that have not been of the other. The trust companies are not generally required like the national banks to hold reserves for the protection of deposits; and in some of the states, as in New York,[115] where the state banks must keep reserves, the companies are more leniently treated. They have thus an advantage over their competitors, as they are not compelled to have on hand the same amount of idle funds yielding no revenue. They have profited by the freedom from restraint and have kept little cash[116] in their vaults, most of what they have counted as cash being in reality money on deposit at interest with the banks. In the summer of 1901[117] the forty trust companies in New York and Brooklyn had a reserve of only seven and a half million dollars and had deposited with the banks nearly a hundred million. On the other hand, sixty one-banks in that city had at the same time a reserve of over two hundred and sixty million dollars. The reserves of the banks cover both their own deposits and those of the trust companies.[118]

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[114] Rhodes Journal of Banking, vol. 13, p. 788; Bankers' Magazine, New York, vol. 2, p. 495 (Lockport Bank and Trust Co.); vol. 4, p. 100 (Duncan vs. Maryland Savings Institution, 10 G. & J. 346); vol. 53, p. 141.

[115] Schedule XII.

[116] Bankers' Magazine, New York, vol. 59, p. 599; vol. 58, p. 505; vol. 59, p. 472.

[117] Report of New York Superintendent of Banking, July, 1901. Baltimore Herald, Aug. 13, 1901, quoting New York Journal of Commerce.

[118] Rhodes Journal of Banking, vol. 13, p. 818.

Similarly the reserve of the Bank of England [119] operates in regard to the deposits of the great joint stock companies of London, and the resources of the Imperial Bank of Germany aid the other banks in the empire.[120]

In 1902 the New York Clearing House, as observed, passed resolutions requiring the trust companies clearing through that association to keep reserves in cash like the national banks.[120a]

The trust companies loan considerable on collateral security and compete with the banks for this class of business. The same forty companies,[121] just referred to, had loans of this kind out amounting to five hundred and ten million dollars and loans on personal security amounting to only thirty-eight million dollars. These companies, therefore, loan little in the latter way; it is the reverse with the banks.

Trust companies in a number of states underwrite various enterprises; national banks do the same, but probably not so extensively. At times the two institutions may coöperate as a syndicate in the same work, or the banks may advance largely on securities brought into existence by the schemes of the trust companies. Many of the companies have exercised a relatively free hand in making loans and investments; they have not been subjected to the same legal restrictions [122] as the national banks,[123] and, in some instances, as the state banks.[124] The national banks are forbidden to advance more than one-tenth of their capital to

[119] Rhodes Journal of Banking, vol. 13, p. 959.

[120] Bagehot, Lombard Street (Scribner Edition), pp. 309, 336. Quarterly Journal of Economics, Feb., 1900, p. 272, article, "The New German Bank Law," by Prof. Sidney Sherwood.

[120a] Commercial and Financial Chronicle, New York, May 3, 1902, vol. 74, No. 1923, p. 917.

[121] Note 117.

[122] Political Science Quarterly, June, 1900, p. 250, article, "Trust Companies," by A. D. Noyes.

[123] National Banking Act, Revised Statutes of the United States, Sec. 5200.

[124] Schedules XIII and XIV.

one party, to loan money on real estate, or to own real estate except in a limited way. Although the requirements as to the limitation and character of loans have not always been observed, their existence has possibly had effect and prevented these banks from engaging in some profitable operations that have been open to the less hampered institution.

Trust companies have now grown to be of great importance, and in 1899 so many new ones were formed that it looked as if they were about to overshadow the banks in some places. In the following year there was an arrest of the rapid progress.[125] The set-back in New York was temporary; for, although in 1901 there was a decrease in the number of trust companies in that state, the gains in resources of those in existence were large.[125a] The banks made progress during the last few years; they reaped a benefit from the active trade of the merchants, and shared in the general prosperity of the country.[126] A factor tending to make an unfavorable showing for trust companies for the six months ending January 1, 1900, was that a large number of new companies had come into existence during the early part of 1899.[127] This produced a greater supply than was needed, and in the struggle to get business some concerns under the management of inexperienced men engaged in undertakings which resulted in heavy losses.

The banks have a prestige in regard to the safety of deposits which the trust companies do not enjoy. There

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[125] Commercial and Financial Chronicle, New York, vol. 70, No. 1808, p. 302; and report of New York Superintendent of Banking, Feb. 26, 1901, p. 17; Trust Companies in New York State, July, 1899, resources, $722,000,000; Jan., 1900, resources, $672,000,000; Jan., 1901, resources, $798,000,000. Tables I and II.

[125a] Table I.

[126] Tables II, III, IV and V.

[127] Commercial and Financial Chronicle, New York, vol. 70, No. 1808, pp. 303 and 306. Report of New York Superintendent of Banking, Feb. 26, 1901, p. 17.

is a general impression that government examinations of the national banks make them especially secure. No doubt, these inspections have rendered great service; nevertheless they are not thoroughly effective. Disclosures, at times, make it apparent that defalcations can escape notice for a long period during which a number of official examinations of the banks have taken place. The remark is occasionally heard from those in a position to know, that the federal inspectors are liable to accept with too much faith the calculations which they find in the bank records. It is believed by many that state inspection can be made, and is in some states, where trust companies are subjected to regulations, just as thorough as the system in operation in regard to national banks. Notwithstanding the fact that much of this claim in regard to state supervision must be admitted, the general public feel, and with reason, that a federal inspection usually gives greater protection than one conducted by a state[128]; and the national banks get the benefit of this confidence.

In order to secure the prestige possessed by national banks and at the same time have greater freedom, the Chestnut Street National Bank and the Chestnut Street Trust and Savings Fund Company conducted business together in the same office in Philadelphia.[129] The close coöperation afforded a great opportunity for the practice of fraud and for the concealment of an insolvent condition by the temporary transfer of funds from one institution to the other. The final results exposed the evil of such a combination.

The advantage that prestige and previous possession of the field give to the old banks may long allow them to maintain their supremacy. But new financial institutions will be called into being by the growth of the country,

[128] Rhodes Journal of Banking, vol. 20, p. 1159.

[129] Bankers' Magazine, New York, vol. 59, p. 717. History of Banking, Knox, 1900, p. 464.

and these are likely to be especially among that class which is subject to least restriction.[130]

(g) Promoting.

Trust companies with their large accumulation of funds are ever on the alert to get business, and afford an effective instrument in developing enterprises.[131] But this is not a new character of work for financial corporations, either in this or in other countries; and trust companies have followed a course which has been pursued previous to their existence. Sometimes a corporation has been formed simply to finance a particular enterprise. Such was the case with the Credit Mobilier,[132] which, operating under a charter of a Pennsylvania company, undertook to build the Union Pacific Railroad. It will be remembered that the Credit Mobilier became notorious in 1872 on account of one of the greatest political scandals which ever occurred in the United States.

Trust companies and other financial corporations greatly aid and encourage the development of large enterprises, but they usually engage in the undertakings in answer to some demand for them; and were they not the promoters, individuals or firms might, as often happens, take their place. When the financial corporations, interested in promoting railroad enterprises, went down in the crash of 1873, two great private banking firms concerned in similar operations failed at the same time.[132a] At present the names of certain individuals and banking firms, in connection with great railroad enterprises, industrial combinations and other schemes of a gigantic character, are far more prominent than those of any trust company or other financial corpo-

[130] Rhodes Journal of Banking, vol. 21, p. 70.

[131] Commercial and Financial Chronicle, New York, vol. 70, No. 1810, pp. 10, 410.

[132] Lalor's Cyclopedia, vol. 1, p. 709. Appleton's Cyclopedia, Annual, 1873, pp. 213 and 671.

[132a] Note 147.

ration. It is, however, a well-known fact that these men and firms are interested in and identified with banks and trust companies and use them largely as instruments to carry out their various operations.[123]

[123] Commercial and Financial Chronicle, vol. 72, No. 1855, p. VI.

CHAPTER IV

STATE REGULATION

It is the decided opinion of many persons that the less supervision or regulation by a government which any business receives, the better will be the results. But whether the *laissez faire* doctrine be strongly cherished or not by its advocates, the idea is rapidly losing force in this country in the practical conduct of affairs and in the continual extension of governmental interference. The people of the United States have for years been accustomed to the supervision of national banks and have for a longer period been familiar with that in regard to state banks.[134] Trust companies have largely developed without these restrictions. In some states they have been brought under the same supervision as the banks, in others they have not.[135]

Should trust companies be under state supervision? If it is admitted that banks not exercising the right of note issue should receive regulation, and if trust companies can and do perform all the functions of such banks, then it is difficult to see why they should escape the same exactions.[136]

The companies have under their charge the funds of widows and orphans and trusts of a character around which every safeguard should be thrown. They have also large lines of deposits subject to check,[137] nevertheless they are not required to the same extent as the banks to keep reserves proportionate to deposits. In this respect they are

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[134] History of Banking, Knox, New York, p. 404, etc.
[135] Schedules VII and VIII.
[136] Bankers' Magazine, New York, vol. 58, p. 507; vol. 59, p. 472. Rhodes Journal of Banking, vol. 13, p. 741.
[137] Note 117. Tables I, III.

generally more favored than the national banks and, in New York, Kentucky and several other states than the state banks.[137a] Texas has a unique place; under the constitution of 1876 no corporation with banking privileges can be created or extended. Trust companies in New York and elsewhere have claimed that much of their deposits have been trust funds, and on the other hand that those of the banks have been of a kind which are more subject to an early or a sudden withdrawal; hence, that the restriction upon the banks has been more necessary.[138] In the summer of 1901,[139] however, a larger portion of the three-quarters of a billion dollars on deposit in forty trust companies in New York and Brooklyn was subject to check. There is not a great distinction at present between the deposits of the two institutions, nor should such be expected, for trust companies solicit all classes of deposits and allow interest on the same in order to obtain them.[140] The companies in some places have been so active in their efforts to get business that the banks, although disclaiming that they give interest on money placed with them by local depositors, are frequently compelled to offer this inducement to retain patrons. The trust companies are said to borrow, at times, money on collateral and reckon the sums thus received with their so-called deposits, in order to make a more favorable showing and thereby further attract similar funds. This practice, it is claimed, obtains also with other financial institutions. The foregoing instances are cited to show the force of competition in often compelling those who seek the same class of business to adopt the same methods. The concerns that are not subject to strict inspection are usually the first to resort to these means. Sooner or later

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[137a] Schedules II, XII.

[138] Bankers' Magazine, New York, vol. 58, p. 506.

[139] Note 117.

[140] Report of New York Superintendent of Banking, July, 1901 (interest paid on all but a small fraction of the deposits).

what is done leaks out, as it is difficult to keep such things secret; and what in the beginning is confidentially allowed as a special inducement to a few, becomes in the end a common practice.

It is evident that any regulation to be fully effective for the deposits of banks must have some application to those of trust companies. Should there come at the present time a financial panic, or a severe strain upon the money market, the trust companies, in some of the great cities, with their large lines of deposits and small or merely nominal reserves, would rather contribute to than check a catastrophe.

The superior organization of a trust company should not necessarily exempt it from regulation, for it is not unlike that of other corporations. It comprises a president, possibly one or more vice-presidents, and a board of directors; from this latter body is usually selected a smaller number who constitute an executive committee. In some instances the board of directors consists of twenty-five members. Frequently directors know, and are apparently expected to know, as little about the affairs of their company as outsiders. Some of them are put on the board on account of their prominence in the community, their names being used to produce a favorable impression upon the public, and others owe their position to the fact, that they can command business for the company. But whether appointed for these or other reasons, many of the directors may be nothing more than figure-heads, and may exercise little or no influence upon the policy of the company. The directors meet at more or less extended intervals, probably once a month, or not so often, and each may, according to a growing practice, receive about five dollars, or more, for every meeting attended. They usually transact business in a perfunctory manner, leaving the management of affairs entirely with the president and one or two controlling spirits of the executive committee. Much the same

comment as to the inefficiency of a directory, will apply with equal force to all classes of corporations, with the exception to an extent, of the banks. The directors of the latter may meet weekly, or oftener, to pass upon the paper offered for discount, and have an opportunity of performing this class of their duties with some degree of intelligence. Any security which is afforded to the depositors and stockholders by publicity of operations rather seems to be with the bank than with the trust company.

Although secrecy in the conduct of a business allows a wrong action to be easily concealed, close management is particularly effective, when capable men are in charge who direct their efforts solely to the development of their company. The opportunity for fraud, due to the concentration of power in the hands of one or two men and to the absence of state supervision, have led in some cases to unfortunate results. Public attention, at such times, has been directed to the matter, and the sentiment created that a need exists of protecting the interests committed to the care of these institutions.

A short time before the panic of 1873, the Brooklyn Trust Company failed under circumstances indicating gross mismanagement. The company had done a lucrative business, but was bankrupted by the defalcations of its president and secretary, both of whom had made heavy losses in speculations. Trust companies were then regarded as institutions that should be even more conservatively managed than banks, and it was not strange that there should have arisen—and especially after the financial crisis of 1873—a demand for the passage of laws to subject them to regulations similar to those under which banks had been placed.

The Commercial and Financial Chronicle,[141] in the summer of 1873, in referring to the failure of the Brooklyn Company, stated editorially that the directors of a trust

[141] Commercial and Financial Chronicle, New York, July 26, 1873, vol. 17, No. 422, p. 102, and Aug. 30, 1873, vol. 17, No. 427, p. 269.

company were not looked upon as managers of an ordinary bank, but as guardians of trust funds. The investments of this institution, it contended, should be like those of a savings bank, only such as were solid and safe beyond question.

In 1874[142] the Bankers' Magazine, reviewing the report of the Comptroller of the Currency, said that trust companies were intended as repositories for trust funds, for the accumulation of deposits to be loaned on mortgage or invested in government bonds; that is, to be savings banks on a large scale. The article stated further that trust companies had at that time been converted into stock jobbing concerns, thus becoming factors of demoralization and defeating the original purpose for which they had been established.

In his report of December, 1873, the Superintendent of Banking of New York, in alluding to the rapid increase of the moneyed corporations which, he stated, were variously styled trust, loan, indemnity, guaranty, exchange, or safe deposit companies, recommended that they be brought under stricter state supervision. The designation, trust company, had not, at that time, the full significance which it has since obtained, and there was then in New York no system for regulating these companies. Previous to 1874[143]—the year in which trust companies were placed under the charge of the state superintendent of banking—some of them were under the supervision of the comptroller, some reported either to the comptroller, to a judge of a supreme court, or to the superintendent of banking, while others did not report at all. The majority, if not all of them, were exempt from making stated reports to a supervisory department of the state, as the banks were required to do; and none were liable to an examination

[142] Bankers' Magazine, New York, vol. 28, p. 520. (This is a review of the Report of the U. S. Comptroller of Currency that is referred to in Note 146).

[143] Schedules VII and VIII.

by any authorized state officer. The Superintendent urged that there was no reason why these companies should not be subject to regulation like the banks, for they did a deposit and savings bank business, and in some instances discounted paper.

The Comptroller of the Currency, in his report of 1873,[144] stated that the beginning of the monetary crisis of that year might be reckoned with the failure of the New York Warehouse and Security Company. Up to the time this company closed its doors, it had stood well. It had been established several years before to make advances on grain and produce shipped to New York; it afterwards undertook to finance a railroad which had a good foundation, but the enterprise proved to be too great for the resources of the Warehouse Company.[145] Such, at least, were the views expressed at the time.

Among the suspensions during the panic of 1873 were those of the Union Trust Company, and the National Trust Company, of New York,[146] and of the great banking houses of Jay Cooke & Company, and Fisk & Hatch. The two firms named, as also a number of financial corporations, had been largely interested in the negotiation of railroad securities.[147] In commenting upon the conditions of that period, the Comptroller of the Currency remarked that the money market had become overstocked with debt, that debt based on almost every species of property—railroad, state, city, and manufacturing and mining companies—had been sold in the market. The panic of that year, he said, might, in a great degree, be based upon the inti-

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[144] Report of the U. S. Comptroller of Currency for 1873, p. XXVI.

[145] (Mo., Kas. & Tex. R. R.); Commercial and Financial Chronicle, New York, Sept. 13, 1873, vol. 17, No. 429, p. 341.

[146] Report of U. S. Comptroller of Currency, 1873, p. XXVI.

[147] Report of U. S. Comptroller of Currency, 1873, p. XXVI. Commercial and Financial Chronicle, New York, Sept. 20, 1873, vol. 17, No. 430, p. 375.

mate relations of the banks of New York City with the transactions of the stock board; from one-fourth to one-third of the bills received by the banks up to that time, since the Civil War, had consisted of demand loans to brokers and members of the Stock Exchange. These operations, the report continued, had a tendency to impede and unsettle, instead of facilitating the legitimate transactions of the whole country; the rule of business was to make money—to make it honestly, if possible, but at all events to make money.[148]

If a financial crisis were to occur in the United States at the present time, much the same criticism as made in 1873 would be heard; but trust companies would come in for a greater share of the comment.

The trust companies and the state banks in New York,[149] as also in some other states, are now under similar regulations. Both institutions in New York are obliged to make reports to the banking department of the state and are subject to examination by official inspectors.[150] When state supervision[151] was first inaugurated in New York in 1874, it was the cause of three trust companies ceasing to do business.[152] The depositors, with claims amounting to six million dollars, were paid in full, but, if the state examinations had not been made, and only reports of the officers of the companies had been submitted, these concerns might have continued to operate until a worse condition of affairs had developed. A company, it is said, had seldom failed whose recent published statement—in case it was the practice to make the same—had not shown a surplus. The statement of a trust company in New

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[148] Report of U. S. Comptroller of Currency, 1873, p. XXVIII.

[149] Bankers' Magazine, New York, vol. 61, p. 787. Schedules VII, VIII, XI, XII, XIII, XIV, XV, XVI, XVII.

[150] Note 128.

[151] Notes 26, 27.

[152] Bankers' Magazine, New York, vol. 61, p. 787.

York, that is now published in the reports[153] of the state superintendent of banking is comprehensive, and with the system of examination in force allows considerable state supervision of the institution. The same comment may be made in regard to the companies in some other states.

[153] Report of New York Superintendent of Banking, Feb. 26, 1901, pp. 521, 522. Bankers' Magazine, New York, vol. 61, p. 788.

FORM OF STATEMENT RENDERED BY NEW YORK TRUST COMPANIES.

RESOURCES.

Bonds and mortgages.
Stock and bond investments (itemized).
Amount loaned on collaterals.
Amount loaned on personal securities, including bills purchased.
Overdrafts.
Due from directors of the institutions.
Due from banks.
Due from brokers.
Real estate, estimated present value.
Cash on deposit in banks or other moneyed institutions.
Cash on hand.
Amount of assets not included under any of the above heads (accrued interest receivable, etc.).

LIABILITIES.

Capital stock paid in.
Surplus fund.
Undivided profits.
Deposits in trust.
General deposits (by individuals, associations or corporations, payable on demand).
Other liabilities not included under any of the above heads (accrued interest payable, etc.).

SUPPLEMENTARY.

Total amount of interest, commission and profits of every kind, received during the year.
Amount of interest paid to and credited depositors during the year.
Amount of expenses of the institution during the same period.
Amount of dividends on capital stock declared during the year, payable, etc.
Taxes paid during the year.
Amount of deposits on which interest is allowed at this date (January 1st).
Total amount of such deposits.
Rate of interest on same.
Amount of bonds and mortgages invested in during the year.
Amount received from bonds and mortgages paid or sold during the year.

Among the failures of loan companies was one, some years ago, in Minneapolis where little funds were found by the receivers to pay off its debts.[154] It was at first thought that the great office building which bore its name would be an important asset, although a mortgage for part of its value was recorded against it. A closer investigation revealed that the company had not an equity in this property. Another corporation had been formed with the same officers as those of the loan company, and through this means the interest of the latter in the building had been disposed of without exciting suspicion. Such transactions can be carried on without difficulty, and no doubt many of the large office buildings, that are supposed to be owned by the trust companies, belong to separate and distinct corporations.

As referred to above, a national bank and a trust company with similar names, occupied the same office in Philadelphia[155] and juggled accounts. The American Loan and Trust Company, of Omaha,[156] was bankrupted in 1893 by speculations in lands in Texas carried on by a local company of that state.

Corporations which do not act as trustees have, at the present day, the word trust in their titles. In commenting upon the practice, the Superintendent of Banking of New York recommended, in his report of 1899, the adoption of a regulation that would apply not only to corporations created by the laws of New York, but also to foreign trust companies which did some kinds of business in that state, although not permitted to act there as trustees. The suggestion was partially acted upon, and an amendment to the Corporation Act was passed in 1900 governing companies formed under the laws of New York.[157]

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[154] Rhodes Journal of Banking, Oct., 1893, vol. 20, p. 1114.
[155] Note 129.
[156] Rhodes Journal of Banking, vol. 20, p. 760. Schedules VII and VIII.
[157] Note 16. Schedules VI, XVIII.

The argument is advanced in some quarters that the directors and officers of a corporation, and the public also, should not be taught to rely simply upon government inspections; for at best these examinations are ineffective, and it is well for those who are interested to make investigation for themselves. The officials of a national bank in Baltimore[188] employed, a year or so ago, special experts to supplement the federal examination. Many contend that it is better for a people to be educated to be self-reliant, and attention is called to the fact that in some states where savings banks and trust companies have virtually received no regulation they have been conservatively and successfully managed. This may be admitted, but numerous instances of frauds and failures clearly demonstrate that such a statement of the case is by no means complete. A good system of banking is of extreme importance to all classes of people. It is, therefore, easily understood why a public demand exists for the regulation of financial institutions; and why some persons advocate this measure, who are generally opposed to an enlargement of the sphere of the State.

There is a wide difference in the laws throughout the Union in regard to trust companies, and the suggestion has been made that in order to get a uniformity, it may be well to have a constitutional amendment and bring trust companies under federal jurisdiction. This plan is in harmony with that of having all corporations regulated by the general government; and in the view of some it will not be a great step in extending the exercise of this power from the deposits of national banks to those of other financial institutions.

With the rapid changes, now occurring in industrial and financial conditions, it is impossible to forecast with any degree of confidence the political action, which may in

[188] Merchants National Bank.

consequence follow."[159] Nevertheless it may be said that, from present appearances, no extension of federal authority over trust companies may be expected in the near future. Any uniformity which may be obtained in the laws will, probably, be brought about by similarity of conditions in the different parts of the country and through efforts made by the citizens in the individual states.

There is always opposition to any increase of governmental interference, and often it is well to be slow in bringing about radical changes. Trust companies have in some states been placed under little regulation, and the fact that they have exercised a wide latitude of action, has enabled them to build up large and successful businesses. In many instances it may be a hardship and injustice to subject these institutions suddenly to great restrictions. When legislation of this character is undertaken, a conservative course in the beginning seems to be the wise one; and later, if it becomes necessary, more stringent measures may be adopted.

The success of trust companies seemingly indicates, that the need exists for an institution with the power to advance large sums to a single concern and to engage in what may be regarded as speculative ventures. If it be deemed better that another corporation with more limited privileges shall manage trust estates, separate companies may be established for the purpose. Some trust companies are already in existence—that is, one of each of the two classes may be mentioned—which have built up a large business in one or the other of these operations and have mostly, if not entirely, confined themselves to it; if they have acted

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[159] Baltimore News, Sept. 16, 1901; extract from the speech of Vice-President Roosevelt (now president), delivered Sept. 2, 1901, at Minneapolis: "The vast individual and corporate fortunes, the vast combinations of capital, which have marked the development of our industrial system, create new conditions, and necessitate a change from the old attitude of the state and nation toward property."

as trustees under wills,[160] they have not devoted their efforts to promoting enterprises, or the reverse.[161] This being the fact, the separation of the two functions can, of course, be accomplished, but such an action would have the effect of retarding the development of the institution.

It is often difficult, if not impossible, to observe the drift of public sentiment and to determine the factors at work producing results. It is only speaking in a broad way, when it is suggested that judging from surface indications there is little demand at present for a law to prevent the same company acting both as trustee under a will and as promoter of enterprises. Regulations requiring trust companies to deposit security with the state to protect trust funds, and those placing them much on the same basis as state banks, are the ones, it appears, likely to be sooner or later adopted where such a regulative system is not already in operation.[162] The action, in 1902, of the New York Clearing House, in regard to cash reserves for deposits in trust companies may be significant.[162a]

Trust companies are either formed under special acts of a state legislature or under a general law of a state. In New York both methods are in force, and when the General Law is made use of, the superintendent of banking is empowered to refuse incorporation to any new company if, in his opinion, there is a sufficient number in existence. The power is delegated to this officer of limiting the number of trust companies in the state, unless the legislature exercises its right and creates additional ones.

In the states where charters for these corporations have been granted by special acts, they have sometimes been obtained in an unfair way and procured to be sold to the

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[160] Safe Deposit and Trust Co., Baltimore.

[161] Maryland Trust Co., Baltimore; Laws of Maryland, 1892, Chap. 168, p. 263. Has, however, absorbed Guardian Trust Co. with powers of executor; Laws of Maryland, '90, Chapter 539, page 631.

[162] Schedules VII, VIII, XI, XII, XIII, XIV, XV, XVI.

[162a] Notes 120[a], 137[a].

highest bidder. In addition to the general evils of private legislation, there is always a danger in such legislative grants of a privilege being included that was not intended and was concealed by a "snake in the bill." Many of the states, after having tried the other system, have adopted a general law under which corporations of this kind must be chartered in order to get an existence. Maryland is an example of the opposite policy.[168]

[168] Schedule V.

CHAPTER V

CONCLUSION

Place and Cause of Development.

A slight review will aid in fixing more clearly upon the attention what is the place that is now occupied by trust companies, and what are some of the causes that have led to their development.

It has been noted that corporations with power to execute all lawful trusts have existed a great many years in the United States. The earlier ones exercising this privilege were insurance companies which were authorized to act as trustees, but only engaged in such operations as an auxiliary to their insurance business. Trust companies still continued to be classified with insurance associations, even when they began to be operated as separate institutions.

According to general impression the trust powers were originally extended in some of the states to corporations merely to allow them to manage trust funds, and not to establish banking concerns.[184] This latter idea appears to be correct, for the earliest companies empowered to act as trustees were forbidden by their charters to engage in banking. In spite of this fact, trust companies have become banking institutions and have large lines of deposits; they compete with the national banks, but are not subjected to the same restrictions. They have been formed and successfully operated in the smaller towns, but it is in the large financial centres that they have more especially developed;[185] in New York and Chicago, some of them have deposits

[184] Bankers' Magazine, New York, vol. 59, p. 471. Nation, New York (Sept. 21, 1899), vol. 69, p. 220.

[185] Bankers' Magazine, New York, vol. 58, p. 505. Table VII.

ranging from fifty to seventy million dollars.[166] In Chicago, however, they are state banks with trust powers.

There seems to have been a recognition on the part of the banks in New York for the first time, about 1873, that there was a new and serious competitor against them in the field. After the financial panic of that year the banks felt the pressure of the hard times; and, therefore, being sensitive to the effects of competition, they more keenly realized that deposits were diverted from them, and that some enterprises in which they were engaged were in process of absorption by another institution. Naturally they complained of any unfair advantages that worked against them. It was, however, not until 1885 or 1887 that the great development of trust companies in New York took place.[167] About this time the profits derived from note issue were lessened and banks commenced to decrease their circulation.[168]

The deposit system was formerly of minor importance to that of note issue in banking; the condition has changed. In England and the United States the habit of depositing money in bank and withdrawing it by check is highly developed, and in parts of the continent of Europe the custom has greatly extended. In Germany some banks which issued notes have preferred rather to surrender this power than to submit to the government restrictions incident to it. They have found it advantageous to have a relatively free hand in the management of their affairs and

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[166] Report of New York Superintendent of Banking, July, 1901. Commercial and Financial Chronicle, New York, vol. 70, No. 1820, p. 924. Report of Auditor of Illinois, Dec. 11, 1901, p. 43.

[167] Bankers' Magazine, New York, vol. 43, pp. 659, 721. Table I.

[168] Report of the Monetary Commission, Chicago, 1898, Chart II, opposite p. 206; note circulation of national banks in U. S.; Reports of the U. S. Comptroller of Currency: Dec., 1884, $280,000,000; Dec., 1885, $260,000,000; Dec. 1886, $200,000,000; Dec., 1890, $120,000,000; Oct., 1897, $200,000,000; Oct., 1900, $332,000,000; Oct., 1901, $360,000,000. Bankers' Magazine, New York, May, 1902, vol. 64, p. 653.

have not seriously felt the loss of the right to issue notes, as their deposit lines have grown to large proportions. Some of the great banks in Germany occupy much the same place respecting large enterprises, as do the trust companies in the United States.[169]

It is readily seen how trust companies have been aided in their growth by the increased importance of the deposit system, for the monopoly by the national banks of note issue is no longer the great advantage that it was.[170] Trust companies have been favored by freedom from the regulations to which the banks have been subjected. They have consequently been allowed to engage more than the restricted institutions in the huge schemes which the changes in the industrial organization and the rapid development of the country have required to be undertaken.

Conditions, in general, have no doubt made a place for an institution which advances large sums in a single venture and is free from restrictions as to the character of its investments. All trust companies, however, may not engage in financing enterprises, for at least one of them[171] devotes itself to what was originally considered the legitimate operations of a trust company and what may be called a strictly trust business; that is, acting as trustee or executor and managing estates and trust funds. It appears, however, to be true that the enormous development of trust companies has largely been due to their relations with railroad and industrial corporations.[172]

The idea has been advanced that trust companies owe success not merely to the state of affairs, but also to the fact that they have been managed by more enter-

[169] Bankers' Magazine, New York, vol. 63, p. 855. Commercial and Financial Chronicle, New York, vol. 72, No. 1855, p. 4. Note 120.

[170] Commercial and Financial Chronicle, New York, vol. 70, No. 1808, p. 303.

[171] Note 160.

[172] Commercial and Financial Chronicle, New York, vol. 70, No. 1803, p. 59; vol. 70, No. 1812, p. 508.

prising and capable men. The success of the large banks of New York clearly demonstrates the contrary without the necessity of further evidence.

Among other functions which they perform, trust companies execute various trusts, manage estates and promote enterprises. They do a safe deposit business; this is a feature that may be adopted and carried on conveniently by almost any financial institution in connection with its other departments, or it may be conducted by a separate corporation. In some states trust companies insure the titles of property, in some they act as bondsmen. Title insurance and bonding companies are regarded in the public mind as trust companies; they are generally, but not always, distinct concerns.

Trust companies engage in general banking operations. They do not restrict their deposits to trust funds; they solicit and receive the same kinds as are sought by other banks. The old savings banks occupy a position which they will probably long retain. It may, nevertheless, happen that their rivals will in time make gains by offering higher rates of interest and extending inducements in the way of greater conveniences. The small savings banks will be placed at considerable disadvantage in the contest.

At present, the trust companies in New York confine, for the most part, their call and time loans to those secured by collateral, they advance relatively small amounts on personal security. The companies in Philadelphia are not permitted to discount paper, those in Chicago are principally banks with trust powers. The national banks engage more largely than formerly in certain classes of operations and seek to accommodate themselves to the changed conditions. With discrimination against them, banks of issue will continue to have a place in the business world; but from the outlook it seems that, in the formation of new financial concerns, the tendency will be more to organize them upon a basis that affords the broadest privileges. The trust companies offer some advantages over

other existing institutions; they are allowed a wider scope of action than the national banks, and with their diversified interests, may make one department aid the development of another.[173]

Some trust companies have branches.[174] Three companies of New York, and one of Boston, were authorized, in 1901, to act as trustees under the General Corporation Law of Illinois.[175] The North American Trust Company, of New York,[176] established financial institutions under its management not only in different parts of the United States, but also in Cuba. A great company operated on this principle with capable officers would have large resources at its command; it would have a wide field of operations and could conduct business at a low rate of expense. A lack of legal provision or legal prohibitions in regard to such extensions may, in a measure, be overcome, through different companies under the control of a single interest.[176a]

The same influences that have operated to combine railroad and industrial corporations have tended to produce similar effects among financial institutions.[177] Consolidation has taken place not only among trust companies that have already been established, but also among concerns whose organizations have not been completed.[178] The Produce Exchange Trust Company of New York[179] suspended in 1899 and afterwards reorganized under a differ-

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[173] Political Science Quarterly, June, 1901, p. 250; article "Trust Companies," by A. D. Noyes. Note 123.

[174] Bankers' Magazine, New York, vol. 62, p. 258; vol. 63, p. 855. Commercial and Financial Chronicle, New York, vol. 70, No. 1807, p. 262. Schedules III, V.

[175] Report of Auditor of Illinois, Dec. 11, 1901.

[176] Commercial and Financial Chronicle, New York, vol. 70, No. 1812, p. IX; vol. 70, No. 1820, p. 925; vol. 72, No. 1854, p. 29.

[176a] Baltimore Sun, June 16, 1902 (editorial).

[177] Bankers' Magazine, New York, vol. 63, p. 315.

[178] Commercial and Financial Chronicle, New York, vol. 70, No. 1806, p. 213; No. 1811, p. 460; No. 1813, p. 564.

[179] Commercial and Financial Chronicle, New York, vol. 70, No. 1800, p. 108.

ent management with a son of the late Mr. Jay Gould as president. This reorganization caused the abandonment of a new company that was about to be formed to take care of the large interests of the Gould family—interests which comprise great telegraph and railroad properties. The Produce Company, under the title of the Bowling Green Trust Company,[180] in a short time built up a large deposit line and became established upon a solid foundation. This case gives some idea of the operations that are engaged in by these companies, and serves as one of the many evidences of the great power of wealth controlled by a single directing force.

In Illinois the state banks are granted trust powers upon the proper deposit of funds with the auditor of the state. In other words, trust companies may be created in this way with banking privileges, and such concerns are regarded primarily as banks. The principle that trust companies are banks is becoming more fully recognized. Although differences may long continue to exist, it appears that the trend of legislation in New York and in a number of other states is to place upon an equal footing these two financial institutions that operate under state franchises.

There is, as is well known, a general tendency of corporations to supersede individuals in performing certain functions and, if the conclusions advanced in this paper are correct, it appears that the following may also be mentioned among the causes for the development of trust companies:

1. The place for an institution making large advances in a single venture and exercising a free choice in its investments—one not hampered with the restrictions to which the national banks have been subjected.[181]

2. The increased importance of deposits relative to the issue of bank notes, and the payment of interest[182] on demand deposits.

[180] Report of New York Superintendent of Banking, July 1, 1900, p. 445: general deposits, $10,000,000.

[181] Rhodes Journal of Banking, vol. 21, p. 70.

[182] Bankers' Magazine, New York, vol. 28, p. 518.

3. The growth of investments in government and corporate securities, and the demand for an institution to manage estates largely consisting of these.

4. The combination in one company of various classes of financial business, each aiding to build up the other.

In the analysis of social problems some factors are easily overlooked and others given undue value. As to what will come to pass, uncertainty necessarily prevails; the present system of exchanges may be much altered, and indeed the fundamental principles regarding property rights may be modified. But whatever may have been the cause of their growth, or whatever may be their future, it can be said without question that trust companies are, at present, important financial institutions in parts of the United States.

APPENDIX I

The Farmers' Loan and Trust Company of New York.

(Sketch prepared by the Company.)

Although the majority of the trust companies of this country have been organized within the past twenty-five years, it should not be concluded that the financial world had not felt their need before then, for as early in the last century as February 28, 1822, the first trust company was incorporated and a charter granted to The Farmers' Fire Insurance and Loan Company, of New York, which name was changed by an act of the legislature passed April 30, 1836, to The Farmers' Loan and Trust Company.

The original twenty-one directors held their first meeting March 9, 1822, and elected John T. Champlin President, and at subsequent meetings Archibald McIntyre was elected Secretary and John Ely, Jr., Assistant Secretary. In the order of their election, the following persons have served as President:

John T. Champlin,	Lewis Curtis,
Oliver H. Hicks,	Charles Stebbins,
Fred A. Tracy,	Robert C. Cornell,
Elisha Tibbets,	D. D. Williamson,
Henry Seymour,	Rosewell G. Rolston,

Edwin S. Marston.

The original act of incorporation gave to the company power to make loans on mortgages, which authority is emphasized by being stated first in the act, and having proportionately a larger part of the act devoted to the matter of making such loans and of foreclosing the mortgages, but at the same time the feeling that was then prevalent, that corporations should not hold real prop-

erty, any further than was absolutely necessary for their corporate purposes, was manifested by the provision that any mortgaged property which was taken on foreclosure should not be held longer than five years, and that if held for a period beyond that term, the title should immediately be forfeited to and vested in the people of the State of New York.

Authority was also given to this corporation to purchase and hold any stock or foreign debt, or the stock of any corporation; which is interesting in view of the subsequent history of corporations, in reference to which legislation for some time practically forbade their acquiring stock in other corporations.

The corporation also originally had power to insure against loss by fire and to grant life insurance and annuities.

By an act passed April 17, 1822, the same session of the legislature which passed the act of incorporation, it was provided: "That the said corporation shall also have authority to receive and take by deed or devise any effects and property, both real and personal, which may be left or conveyed to them in trust and to assume, perform and execute any trust which has been or which may be created or declared by any deed or devise as aforesaid; and the said corporation are authorized to receive, take, possess and stand seized of, and to execute any and all such trust or trusts in their corporate capacity and name, in the same manner and to the same extent as trustee or trustees might or could lawfully do, and no further."

This grant of power to act as trustee is undoubtedly the earliest bestowal of such powers upon any corporation in the State of New York, if not in the country. The language employed is of the broadest character possible.

The early acts relating to this trust company are also interesting as reflecting to a considerable degree the feeling of jealousy which was prevalent in this country in the early part of the last century, to the formation of banks

and moneyed institutions. The original act of incorporation of the trust company provided that nothing in the act should be so construed as to authorize the said corporation to receive any deposit or deposits, nor to discount any promissory note, bond, due-bill, draft, or bill of exchange, nor shall it be so construed as to allow any banking privileges or business whatever.

The subsequent history of this trust company has emphasized the truth that persons in creating business institutions are often unable to foretell the course of development of those institutions in the future. It is well known that at least one of the banks in New York City at the present time was established under a charter, the main object of which was to supply the city of New York with water. That corporation long years ago ceased to supply any water, but the bank has continually grown, and to-day is one of the important financial institutions of the city.

So in the case of the Farmers' Loan and Trust Company, which was organized as an insurance and loan company, the last outstanding life insurance policy, which was issued on February 23, 1838, was not paid until February 28, 1898,—sixty years after the date of its issue. As we have already stated, the very first power given to the Company was that of making loans on mortgages, and the purpose of this power was set forth clearly in the act, showing that the design was to aid the citizens of the state, residing in the country. Under its charter the Company was required, within one year from its incorporation, to make loans on the security of real estate within the State of New York and within the limits of the Southern District of New York, to the amount of at least one hundred and fifty thousand dollars, and when the capital stock of the Company was increased from five hundred thousand dollars, which it was originally, to one million dollars, such increase was made conditional on the investment of an additional one hundred and fifty thousand dollars

in bonds and mortgages on lands within the city and county of New York.

Through its operations in farm lands this Company acquired title to large tracts of lands in various counties in the State of New York. Regarding the land located in Erie County and bordering on Lake Erie, there has arisen in recent years a question both unique and interesting. We quote from a report published not very long ago:

"After the American Revolution a controversy between New York and Massachusetts, as to which state had the fee of and dominion over all the western New York territory, became acute, each claiming under a separate grant from the English Crown. This controversy was settled by what is known as the 'Treaty of Cession,' which was executed in December, 1786, according to the terms of which the western boundary line of the lands ceded to Massachusetts in this vicinity was the center of Lake Erie. To the State of New York was ceded all the claim, right and title which the Commonwealth of Massachusetts had to the government, sovereignty and jurisdiction of the lands and territories claimed by the State of New York. On May 11, 1791, the Commonwealth of Massachusetts conveyed to Robert Morris a great tract of these ceded lands. Whatever title Robert Morris obtained from Massachusetts passed through various intermediate conveyances to the Holland Land Company about the year 1798, and on January 27, 1838, the Holland Land Company conveyed to The Farmers' Loan and Trust Company all its unsold lands in Erie County. The question in dispute is whether the conveyances made in 1838 by the Holland Land Company to this Company gave it title to the lands under water, due to the encroachment of the water on the land since the time of the ceding of the lands to New York State by the Commonwealth of Massachusetts under the terms of the treaty."

The trust functions of the corporation, which are given, as we have said before, by a supplemental act passed at

the same session of the legislature which incorporated the Company, have been exercised at an increasing rate, and the accumulation of wealth in recent years has demanded more and more the exercise of those powers.

The change from established customs is always attended with many misgivings, but more especially is this true in respect to any thing having to do with financial transactions. For years individuals have been acting as executors and trustees, but the substitution of trust companies for individuals, which was made gradually at first, is now taken as a matter of course, and persons having large estates to a great degree prefer trust companies to individuals. Experience has shown that the appointment of individuals to the office of executor does not, in many instances, successfully accomplish the results desired by the testator. The person appointed may die before the testator, requiring a change in the will, or may die after the testator, leaving the estate only partially administered, necessitating confusion and the appointment of an administrator with the will annexed. Sometimes even the continuance of the executor in office is worse than his death. He may be stricken with disease, his faculties become impaired, or for other reasons he may become incompetent, and then he must be removed and another appointed in his place. All these changes involve an expense to the estate and more or less anxiety to those interested in it. The Farmers' Loan and Trust Company can act as executor, and a testator in appointing it will know that the executor of his own appointment will administer his estate.

The corporation, through its years of dealing with trusts and trust estates, has accumulated an experience which no individual ever could hope to have. This experience has resulted in improved methods of dealing with estates, and has developed a corps of officers and clerks whose time and attention are being constantly directed to the questions arising, and who are not dis-

tracted, as individual executors and trustees generally are, with the cares and annoyances of their own business.

The growth of the Company is evidenced by the increase in its deposits as shown by the following comparative statement, covering a period of twenty years:

	Deposits.
January 1, 1880	$ 6,270,892.06
January 1, 1890	23,964,838.50
January 1, 1900	41,519,851.25
April 1, 1902	61,079,287.23

APPENDIX II

The Pennsylvania Company for Insurances on Lives and Granting Annuities.

(Article compiled by Albert W. Rayner principally from the sketch of the Company by H. S. Morris.)

A group of men gathered at a coffee house in Philadelphia in the winter of 1809 and discussed the feasibility of organizing a company the main objects of which were to be the insuring of lives and granting of annuities. Several companies devoted to marine and fire insurance were already in existence. Notwithstanding this fact, the Pennsylvania Company was slow to organize and did not succeed in procuring a charter until March 10, 1812.

During the period between 1812 and 1829, the progress of the Company was steady. The first president was Joseph Ball, who was elected March 17, 1812. Mr. Ball served in 1791 as a director of the Bank of the United States, was connected with the Batsto Iron Works and was one of the original Board of The Insurance Company of North America.

It is of especial interest to economists to mention the name of Condy Raguet, who was at the head of the Pennsylvania Company from 1816 to 1819. One critic, in speaking of him says that some of his writings on financial and economic topics were the best ever produced in America. Condy Raguet suggested and helped to carry to completion the earliest savings bank in Philadelphia; he was also editor of "The Philadelphia Gazette and Common Intelligencer."

Another President of the Pennsylvania Company was

Robert M. Patterson, who served from 1822 to 1826. Mr. Patterson was especially honored for his intellectual attainments. He had been educated abroad and completed a course of chemistry under Sir Humphrey Davy. Upon returning to this country, he was identified with academic institutions and societies of learning, and for several years occupied the position of Director of the United States Mint at Philadelphia.

These names are but a few of the prominent ones that have been connected with the Pennsylvania Company.

In 1831 attention was attracted to the great success of a new undertaking in India, called Agency Houses, which were concerns organized to transact business for trustees, receive money on deposit, administer estates, etc. It was the desire of the managers of the Pennsylvania Company to invest their organization with these powers; but on account of their conservatism there was a delay of several years before this was done.

Mr. Harrison S. Morris says in his sketch of the Pennsylvania Company:

"In the early part of 1836, the most important advance made in the affairs of the Company, since its organization, was finally consummated when the Governor of the State, in whose honor the corporation was named, approved a supplement clothing the Pennsylvania Company with authority to enter into the business of executing trusts.

"This new privilege greatly widened the usefulness of the Company in every way. The fullest powers were given it for carrying on the trust business. Under the terms of the supplement, it is allowed to receive property, real and personal, in trust, and to accept trusts of every description, while the courts are permitted to appoint the Company to the offices of Trustee, Assignee, Guardian, and Committee of Lunatics.

"It is thus plain that a new career was open to the already prosperous organization, and its efficient management was not slow to reap the rich harvest in store."

The new branch of the Pennsylvania Company's business was taken up with energy and before many years the trust transactions were among the most profitable as well as the most important ones of the institution. The gradual decline of the life insurance branch followed, and with the rivalry of new insurance organizations, which were adopting methods of competition not desirable for the Pennsylvania Company on account of its trust business, the ultimate relinquishment of underwriting insurance became an advisable policy, and the Company, after 1872, issued no new policies of insurance.

During a long period of years, the Company has frequently changed location. It is interesting to note, in view of the fact that its inception took place in a coffee house, that it eventually secured for its established home a site which was formerly occupied by a wayside inn.

Statistics strengthen comments. In regard to the trust estates under its charge it may be said that in 1895, the Company controlled one hundred and thirty-six millions of securities, taken at their par value, and received, during the year, more than a million dollars for rentals. In 1901 the deposits were eleven million five hundred thousand dollars, and the trust funds amounted to one hundred and fifty million dollars. The capital was originally five hundred thousand dollars, it was afterwards increased to two millions of dollars. In conclusion, it may be stated that between 1875 and 1896 it loaned over one hundred and twenty million dollars without incurring loss.

APPENDIX III

Schedules

Trust Company Legislation in the United States, with some comparisons in regard to State Banks.

Prepared for George Cator by John Burton Phillips, Ph. D.

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ABBREVIATIONS IN THE SCHEDULES

Ann. S. Annotated Statutes.

Ballinger's S. Ballinger's Annotated Codes and Statutes of Washington.

Bates' S. Bates' Annotated Ohio Statutes. Revision of 1897.

Birdseye's S. Revised Statutes, Codes and General Laws of New York.

C. C. Civil Code.

C. L. Compiled Laws.

C. S. Compiled Statutes.

G. L. General Laws.

G. S. General Statutes.

Horner's S. Horner's Annotated Statutes.

Hill's L. Hill's Annotated Laws of Oregon, 1892.

Mills' S. Mills' Annotated Statutes.

P. and L. Pepper and Lewis' Digest, 1894.

P. G. L. Public General Laws.

P. S. Public Statutes.

R. L. Revised Laws.

R. S. Revised Statutes.

S. Statutes.

S. and H. Sandels and Hill's Digest.

NOTE.—When not otherwise stated, the numbers in the Schedules refer to the Session Laws of the respective States.

SCHEDULE I.

States and Territories.	Powers of Trust Companies.		
	Safe deposit.	Fidelity insurance.	Title insurance.
Alabama	No trust company legislation.		
Arizona[1]	" " "		
Arkansas	" " "		
California	No special provisions; probably nothing to prevent in general law.		
Colorado	Yes. '91, p. 102.	Yes. '91, p. 102.	No.
Connecticut	Fixed by charter.	Fixed by charter.	Fixed by charter.
Delaware	" "	"	
Dis. of Columbia[2]	Yes. Code, §715.	Yes.	Yes.
Florida	No trust company legislation.		
Georgia	Yes. '91, p. 173.	No.	No.
Iowa	Probably have all these powers because organized under gen'l corporation law.		
Idaho	Yes. '01, p. 26.	Yes. '01, p. 26.	Yes. '01, p. 26.
Illinois	Yes. R. S. '99, p. 470. Banks may have trust powers by fulfilling requirements.	Yes. R. S. '99, p. 470.	Yes. R. S. '99, p. 470.
Indian Territory.	No legislation on banks or trust companies.		
Indiana	Yes. S. '97, §3815a.	No.	No.
Kansas[1]	No.	Yes. '01, ch. 407.	Yes. '01, ch. 407.
Kentucky	Yes.	No.	No.
Louisiana[1]	Yes.	No.	No.
Massachusetts	Yes. '88, ch. 413.	No.	No.
Maryland	Powers fixed by charter. Yes.	Powers fixed by charter, trustee without usual bond of surety.	but a company, acting as nd, cannot incur liability
Maine	Powers fixed by charter.	Fixed by charter.	Fixed by charter.
Michigan	Yes.	No.	No.
Minnesota	Yes. S. '94, §2849.	Yes. S. '94, §2849.	No.
Mississippi	No.	Yes. '97, ch. 33.	No.
Missouri	Yes. '91, p. 99.	Yes. '91, p. 99.	Yes. '91, p. 99.
Montana	Yes. Civil Code, §604.	Yes. Civil Code, §604.	No.
Nebraska	No trust company legislation.		
Nevada[1]	" " "		
North Carolina	Banks and trust companies are specially chartered.		
North Dakota[1]	Yes. Code, '99, §3258.	Yes. Code, '99, §3258.	Yes. Code, '99, §3258.
New Hampshire	Powers fixed by charter.		
New Jersey	Yes. '99, ch. 174.	Yes. '99, ch. 174.	Yes. '99, ch. 174.
New Mexico[1]	Act provides for savings banks and trust ass'ns. Usual trust powers not mentioned.		
New York	Yes. '01, ch. 443.	No, unless by special charter	Yes. '01, ch. 443.
Ohio	Yes. Bates' S. §3821a.	No.	No.
Oregon	No trust company legislation.		
Oklahoma	Yes. '01, p. 99.	Yes. '01, p. 99.	No.
Pennsylvania	Yes. '95, ch. 286.	Yes, '95, ch. 286.	Yes. '95, ch. 286.
Rhode Island	Powers fixed by charter.	Fixed by charter.	Fixed by charter.
South Carolina	" " "	"	"
South Dakota	Yes. Ann. S. '99, §4205.	Yes. Ann. S. '99, §4205.	Yes. Ann. S. '99, §4205.
Tennessee	Yes. Code, '96, §2090.	No.	No.
Texas	Yes. R. S. '95, §642.	Yes. R. S. '95, §642.	No.
Utah	No. R. S. '98, §423.	Yes. R. S. '98, §423.	Yes. R. S. '98, §423.
Virginia	Powers fixed by charter.	Fixed by charter.	Fixed by charter.
Vermont	Powers fixed by charter.	"	"
West Virginia	Yes. '01, ch. 85.	Yes, '01, ch. 85.	Yes. '01, ch. 85.
Washington	No provisions on these subjects in State.		
Wisconsin	Yes. S. '98, §1791d.	Yes. S. '98, §1791d.	No.
Wyoming[1]	Yes. '88, ch. 88.	No.	No.

[1] No trust companies in State.
[2] In the District of Columbia the same company may not do safe deposit, fidelity and title insurance business.

States and Territories.	SCHEDULE II. Banking privileges of trust companies. Receive demand deposits.	Discount paper.	SCHEDULE III.[3] May trust companies conduct branches?	SCHEDULE IV. May bank and trust companies occupy same office?
Alabama			No provisions.	No provisions.
Arkansas[1]			"	"
Arizona[2]	Yes.	Yes.	"	"
California	Yes.	Yes.	"	"
Colorado	Yes. '91, p. 102. Mills' S.	Yes. '91, p. 102. §544c.	"	"
Connecticut	Shall not engage in banking. Yes. Fixed by charter.	Yes.	No.	Yes.
Delaware	Yes. Governed by charter.	No.	No provisions.	No provisions.
Dist. of Columbia	Yes.	No.	No.	"
Florida	No trust company legislation.			
Georgia	Yes. '98, p. 78, §3.	Yes.	No provisions.	"
Idaho	May engage in banking. Yes. '01, p. 26.	Yes. '01, p. 26.	"	"
Illinois	No. R. S. '99, p. 470, but banks may qualify under trust act.	No.	"	"
Indiana	Yes. '93, p. 344. Ann. S. '97, §3815m.	Yes. '93, p. 344.	No.	"
Indian Territory.	Yes.	Yes.	No provisions.	"
Iowa	No. Code '97, §1889.		"	"
Kansas[2]	Yes. For companies before 1886. Yes. Only from banks, savings banks, trust co's, public officers or boards.	Yes. Yes. '01, ch. 407.	"	"
Kentucky	Yes. Statutes '94, §606. May engage in banking under ch. 14.	Yes. Statutes '94, §612. 100,000. '97,	"	"
Louisiana[2]	Yes. R. L. '97, §277.	Yes.	There is no provision in La. for trust co's separate from banks. R. L. '97, §277.	"
Maine	Yes.	Yes.	Not without consent of Legislature, '01, ch. 196.	"
Maryland	R. S. '83, ch. 47, Governed by charter.	§ 84.	No provisions.	"
Massachusetts	Yes. Governed by charter.	Yes.	"	"
Michigan	Yes. No. C. L. '97, §6184. Shall not engage in banking.	Yes. C. L. '97, §6164.	"	"
Minnesota	No. Shall not engage in banking. S. '94, §2851.	No.	"	"

[1] "To loan money on real or personal securities," "buy and sell stocks, bills of exchange, bonds and mortgages and other securities" means discount paper.—57 S. W. 936; Sup. Ct. of Ark., June 16, 1900.
[2] No trust companies in State.
[3] See Schedule V.

States and Territories.	SCHEDULE II.—Cont'd. Banking privileges of trust companies.		SCHEDULE III.—Cont'd.	SCHEDULE IV.—Cont'd.
	Receive demand deposits.	Discount paper.	May trust companies conduct branches.	May bank and trust companies occupy same office.
Mississippi	Yes. '97, ch. 33.	Yes.	No provisions.	No provisions.
Missouri[1]	Yes. R. S. '99, §1427.	No. R. S. '99, §1427.	No.	"
Montana	Yes. Civil Code §604.	Yes.	No provisions.	No provisions.
Nebraska	No trust com	pany legislati	on.	
New Mexico[2]	Yes. C. L. '97, §262.	Yes. C. L. '97, §262.	No provisions.	No provisions.
Nevada[2]		No	provisions on these subj	ects.
New Hampshire	Yes.	No	trust companies in the	state.
	Governed by	Yes. charter.	No provisions.	"
New Jersey	Yes. '99, ch. 174, §6, ¶18.	No. '99, ch. 174, §7.	"	Yes.
	Shall not enga	ge in banking.		
New York	Yes. '93, ch. 696.	Yes.	If named in charter. '92, ch. 689, §156.	No provisions.
	May do gener	al banking.		
	57 S. W. 936 §156.			
North Carolina	Yes.	Yes.	No provisions.	"
North Dakota[2]	No.	No	No.	Yes.
Ohio	No. '82, p. 101.	No.	No provisions.	No provisions.
Oklahoma	Yes. '01, pp. 89–91.	Yes.	"	"
Oregon	Yes.	Yes.	"	"
Pennsylvania[3]	Yes. '95, ch. 286. 105 F. 491.	No.	"	Yes. Knox Hist. of banking, p. 464.
	Shall not enga	ge in banking.		
Rhode Island	Yes.	Yes.	"	No provisions.
South Carolina	Governed by	charter.	"	"
South Dakota	Yes.	Yes.	"	"
Tennessee	Yes. Code '96, §2040.	Yes.	"	"
Texas	Yes.	Yes.		"
	"No corpora	te body shall	hereafter be created, renew	ed or extended with bank-
	ing or disco	unting privile	ges." Const. '76, Art. 16, §16.	
	R. S. '95, p. 164.			
Utah	Yes. R. S. '98 §424.	Yes.	No provisions.	No provisions.
Vermont	Yes.	Yes.	No.	Yes. Statutes '94, § 4121.
	Governed by	charter.		
Virginia	Yes.	Yes.	No provisions.	No provisions.
	Governed by	charter.		
Washington	Yes.	Yes.	"	Trust co's have banking
	Ballinger's Co	des. '97, §4266.		powers. Ballinger, §4266.
	No legislation	apart from		
	banks.			
West Virginia	No.	No.	"	No provisions.
Wisconsin	No. Statutes '98, §1791g.	No.	"	"
	Shall not do a	general bank-		
	ing business.			
Wyoming[2]	No. R. S. '99, §3137.	Yes. R. S. '99, §3132.	No.	No.

[1] In Missouri trust companies may receive demand deposits if they pay interest thereon. Such deposits may be paid on checks. Trust companies may not operate a general deposit account without paying interest. They may buy and sell bills of exchange. When statute enumerates powers of a trust company, no others should be assumed.—144 Mo. 562; Sup. Ct. of Mo., June 14, 1898.

[2] No trust companies in the State.

[3] "In the absence of statutory provisions on the subject, a trust company authorized to receive money on deposit, has lawful authority to issue certificates of deposit therefor in the usual form."—105 F. 491; U. S. Circuit Court, Pa., Dec. 26, 1900.

SCHEDULE V.

States and Territories.	Incorporation of Trust Companies.	
	How chartered.	General law: year of first passage.
Alabama	No special provisions, but may be formed under general corporation law. Code '96, Vol. 1, § 1251.	1870. '70, p. 308.
Arkansas	No special provision, but may be formed under general corporation law. Sandels & Hill, Digest, '94, § 1326.	1889.
Arizona[1]	No special provisions, but may be formed under general law. R. S. '87, § 232.	1887.
California	General law. '91, ch. 264.	1891.
Colorado	General law. '91, p. 102.	1877. G. L. '77, p. 166.
Connecticut	Special act. G. S. 88, § 1944.	.....
Delaware	Special act.	.....
District of Columbia	General law. Code '01, §§ 715-21.	1890. U. S. Statutes L. Vol. 26, p. 625.
Florida	General law or by special act. The general law is for all corporations. It does not mention trust companies. R. S. '92, § 2119.	1868. '68, ch. 1639.
Georgia	General law. Code '95, Vol. 3, § 1903.	1891. '91, p. 172.
Idaho	General law. '01, p. 26.	1901. '01, p. 26.
Illinois	General law. '72, p. 296. This is the general corporation law. Trust companies may be formed under it. R. S. '99, p. 433.	1872. R. S. '99, p. 433.
Indiana	General law. '93, p. 344. Horner's Statutes, '97, § 3815 a.	1893. '93, p. 344.
Indian Territory	No provision for chartering corporations. Am. Corporation Leg. Manual, 1901, p. 164.	.....
Iowa	General corporation law. Code '97, § 1889. §1889 appears to have been added by revisors in 1897.	Prior to 1851.
Kansas[1]	General law. '01, ch. 407.	1901.
Kentucky	General law. Statutes '94, ch. 32.	1893.
Louisiana[1]	General law. R. S. '97, § 277.	1892. '92, ch. 95.
Maine	Special act.	.....
Maryland	Special act. '90, ch. 272.	1876. p. 292. Repeal 1890, ch. 272.
Massachusetts	Special act.	.....
Michigan	General law. '89, ch. 108.	1871.
Minnesota	General law. Statutes, '94, § 2841.	1883. '83, ch. 107.
Mississippi	General law. '97, ch. 33.	1892. Code was adopt 1892.
Missouri	General law. R. S. '99, § 1424.	1885. '85, p. 103.
Montana	General law. Code '95, Vol. 1, p. 877.	1887. Code '95, Vol. 877, '93, p. 105. Comp. st '87, p. 765.
Nebraska	Probably under general law, C. S. '97, § 1826. There is no provision concerning trust companies in Nebraska laws.	.....
New Mexico[1]	General law. '87, ch. 68, R. S. '97, § 260. This act is for savings banks and "trust associations." It does not mention usual trust company powers.	1887. '87, ch. 68.
Nevada[1]	Probably under general law. C. S. '00, § 866. No provisions concerning trust co's in Nevada laws.	1885.
New Hampshire	Special act. No gen'l incorporation law in State.	.....
New Jersey	General law. '93, p. 269; '99, ch. 174.	1885.
New York	General law. '87, ch. 546, also special charters.	1887.
North Carolina	Special act.	.....
North Dakota[1]	General law. '97, ch. 143.	1897.
Ohio	General law. '82, p. 101. General trust powers were conferred by act of 1882, but such companies are organized under general corporation law first passed 1852.	1882. '82, p. 101; Bat S. '97, § 3321 a.
Oklahoma	General law. Oklahoma S. '93, § 930. Special provisions in general law first made, '01, p. 87.	1893. Okl. S. '93, p. 22
Oregon	General incorporation law. No legislation concerning trust companies in State; Hill's laws '92. § 3217.	1862. Date general co poration law was passe Hill's L. '92, § 3217.
Pennsylvania	General law. '81, ch. 26.	1881.
Rhode Island	Special act. G. L. '96, ch. 176, § 10.	.....
South Carolina	General law. '96, ch. 45. No special trust company legislation in State. Some companies operate under banking and corporation laws.	1896.
South Dakota	General law. Ann. S. '99, § 3812.	1893. '93, ch. 42.
Tennessee	General law. '83, ch. 168, Code '96, § 2090.	1883.
Texas[2]	General law. R. S. '95, § 642.	1891. '91, ch. 101.
Utah	General law. '90, p. 107. R. S. '98, § 423.	1890. '90, p. 107.
Vermont	Special act.	.....
Virginia	Special act.	.....
Washington	General law. Ballinger's Codes '97, § 4286.	1886. '85-6, p. 84.
West Virginia	General law. Code '99, p. 557.	1891. '91, ch. 28.
Wisconsin	General law. Statutes '98, § 1791 d.	1883. '83, ch. 294.
Wyoming[1]	General law. R. S. '99, § 3128.	1888. '88, ch. 88, § 38.

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE VI.

States and Territories.	May trust companies incorporated elsewhere operate.[1]
Alabama	Yes. 37 F. 242. No restrictions in foreign corporation law. Code '96, vol. 1, §§1316-1324.
Arkansas	Yes. No restrictions in law of foreign corporations. '99, ch. 19.
Arizona[2]	Yes. No restrictions in law of foreign corporations. R. S. '87, §347, §352.
California	Yes. No restrictions in law of foreign corporations. '99, p. 111.
Colorado	Yes. No restrictions in law of foreign corporations. '93, p. 88; '97, p. 157.
Connecticut	No foreign trust companies in state, but no restrictions in law of foreign corporations. '95, p. 629. May not do banking business.
Delaware	Yes. No restrictions in law of foreign corporations. '93, ch. 703; '97, ch. 513.
Dist. of Columbia	Yes. Code '01, §725.
Florida	Yes. No restrictions on foreign trust companies. 37 Fla. 64.
Georgia	Yes. No restriction in law of foreign corporations. Code '95, vol. 3, §§1846-1850.
Idaho	No special provision. No restrictions in law of foreign corporations. R. S. '87, §2653.
Illinois	Yes. '99, p. 118. 68 Ill. App. 666. W. Va. '95, corp. p. 51. 68 F. 412.
Indiana	Yes. No restrictions in law of foreign corporations. Ann. S. '97, §3022.
Indian Territory	Yes. No laws concerning corporations. Am. Corporation Legal Manual '01, p. 165.
Iowa	Yes except for banking. Code '97, §1367. No special provision, but no restrictions on foreign corporations.
Kansas[2]	Yes. 35 Kan. 236.
Kentucky	Yes. No restrictions in law of foreign corporations. Statutes '94, §202.
Louisiana[2]	No.
Maine	Yes. '99, ch. 123. No restrictions in law of foreign corporations.
Maryland	Yes. '92, ch. 109.
Massachusetts	No.
Michigan	No.
Minnesota	Yes. No restrictions in law of foreign corporations.
Mississippi	Yes. No restrictions in law of foreign corporations. Code '92, §849.
Missouri	Yes. No restrictions in law of foreign corporations. '91, p. 75, 101.
Montana	Yes. No restrictions. '01. p. 150. Civil Code, §§1030-1038.
Nebraska	Yes. No restrictions in law of foreign corporations. C. S. 97, §1946.
New Mexico[2]	Yes. 43 Pac. 701. No restrictions in law of foreign corporations. C. L. '97, §§445, 446.
Nevada[2]	Yes. No restrictions in law of foreign corporations. C. L. '00, §§897-901.
New Hampshire	No. Trust companies must be specially chartered.
New Jersey	Yes. '90, p. 427.
New York	No. May not act as trustee nor engage in banking. '92, ch. 689, §88.
North Carolina	Yes. No law regulating foreign corporations except transportation companies. Am. Corp. Legal Manual, '01, p. 431.
North Dakota[2]	Yes. No restriction in law of foreign corporations. Code '99, §326.
Ohio	No.
Oklahoma	Yes. No restrictions. S. '93, §1167, §1169.
Oregon	Yes. No restrictions. Hill's L. '92, p. 1449.
Pennsylvania	Yes. W. Va. '01, p. 552; '74, ch. 108. Pepper & Lewis, p. 2175. (No foreign companies in state.)
Rhode Island	Yes. G. L. ch. 253, §37. W. Va. '97, corp. p. 103.
South Carolina	Yes. R. S. '93, §1472.
South Dakota	Yes. Ann. S. '99, §4204. '95, ch. 45. (May act as trustee.)
Tennessee	Yes. Code '96, §2545. No restrictions.
Texas[3]	Yes. No restrictions. R. S. '95, §745-9.
Utah	Yes. No restrictions. R. S. '98, §351.
Vermont	No.
Virginia	Yes. '94, ch. 661.
Washington	Yes. No restrictions in law of foreign corporations. Ballinger's Code '97, §§4291-4294.
West Virginia	Yes. No restrictions in law of foreign corporations. Code '99, ch. 54, §30.
Wisconsin	Yes. No restrictions in law of foreign corporations. Statutes '98, §1770.
Wyoming[2]	Yes. No restrictions in law of foreign corporations. R. S. '99, §§3285-3289.

[1] So-called foreign trust companies. [2] No trust companies in State. [3] Schedule XIX.

SCHEDULE VII.

States and Territories.	Reports. (State regulation of trust companies.)		
	Required.	To whom made.	Year of 1st passage of law.
Alabama	No.	No trust company legislation.	.....
Arkansas	No.	No trust company legislation.	.....
Arizona[1]	Yes. R. S. '01 §§130-1.	Territorial auditor. Applies to banking companies.	1901.
California	Yes, twice yearly.	Bank commissioners, '91, ch. 264, §12.	1891.
Colorado	Yes, not less than three a year.	State treasurer, '91, p. 102, §11.	1891.
Connecticut	Yes, quarterly.	Bank commissioners, G. S. '88, § 1787.	1872. '72, ch. 78
Delaware	No.	No trust company legislation.	.....
Dist. of Columbia	Charters require Savings banks must Yes.	annual publication in some cases. also publish report. R. Laws, '93, p. 570. U. S. comptroller, Code '01, §720, §730.	1890. U. S. Statutes at Large, Vol. 26, p. 625.
Florida	Yes, if doing banking business.	Comptroller, R. S. '92, § 2190.	1889. '89, ch. 3864.
Georgia	Yes. If doing banking business, '98, p. 78, §12.	No trust company legislation. Bank examiner, who is State treasurer, Code '95, Vol. 3, § 1912.	1894. '94, p. 77.
Idaho	No.	.....	.....
Illinois	Yes.	Auditor of public accounts, '87, p. 144, R. S. '99, p. 470.	1887.
Indiana	Yes.	Auditor of State. Horner's Statutes, '97, § 3815 n.	1893. '93, p. 344.
Indian Territory	No.	No trust company legislation.	.....
Iowa	Yes, quarterly.	Auditor of State. Code '97, § 1872; applies to banks. Code '97, § 1889; applies banking law to trust companies.	1873. '73, ch. 60, §22
Kansas[1]	Yes, quarterly.	Bank Commissioner, '01, ch. 407, § 13.	1901. '01, ch. 407.
Kentucky	Yes.	Auditor of public accounts. Statutes '94, § 4078, § 4092, p. 615.	.....
Louisiana[1]	Yes, quarterly.	Bank examiner. '98, p. 449. Except in special cases the bank examiner does not examine banks, other than by getting reports.	1877. '77, p. 129.
Maine	Yes, twice yearly.	Bank examiner, '93, ch. 258; '95, ch. 130.	1893.
Maryland	Yes, twice yearly.	State treasurer, '92, ch. 109.	1892. '92, ch. 109.
Massachusetts	Yes.	Commissioners of savings banks. '88, ch. 413.	1888.
Michigan	Yes, quarterly.	Commissioner of banking, C. L. '97, § 6170.	1889. '89, ch. 108.
Minnesota	Yes.	Public Examiner. Statutes, '94, §2852.	1883. '83, ch. 107.
Mississippi	Yes, twice yearly.	No one. Must be published.	1897. '97, ch. 33.
Missouri	Yes, when required by Secretary of State, at least twice yearly.	Secretary of State. R. S. '99, § 1284, § 1287.	1895. '95, p. 97.

[1] No trust companies in State.

SCHEDULE VII.—Continued.

States and Territories.	Reports. (State regulation of trust companies.)		
	Required.	To whom made.	Year of 1st passage of law.
Montana	Yes, quarterly.	State auditor. Civil Code, § 607.	1887. C. S. '87, p. 765.
Nebraska	No.	No provision. No trust company legislation.	.....
New Mexico[1]	Yes, twice yearly.	Secretary of the territory. C. L. '97, § 269.	1887. '87, ch. 68, § 8.
Nevada[1]	No.	No provision. No trust company legislation.	.....
New Hampshire	Yes.	Board of bank commissioners. P. S. '01, p. 536.	1895. '95, ch. 105.
New Jersey	Yes.	Commissioner of banking, '99, ch. 174. Formerly to secretary of State. '89, p. 368.	1889.
New York	Yes.	Sup't. of banking, '74, ch. 324.	1874.
North Carolina	Yes, if doing banking business five times a year on call.	Corporation commission, '99, ch. 164.	1887. '87, ch. 175.
North Dakota[1]	Yes.	State examiner, Code '99, §3258n.	1897. '97, ch. 143.
Ohio	Yes.	Auditor of State. '77, p. 72, Bates' S. '97, § 3821 b.	1877.
Oklahoma	Yes, when required.	Secretary of territory. '01, p. 95.	1901.
Oregon	No.	No trust company legislation.	.....
Pennsylvania	Yes.	Superintendent of banking. '91, ch. 190.	1891.
Rhode Island	Yes.	State auditor. Gen'l Laws, '96, p. 555.	1877.
South Carolina	Yes. In form of quarterly statements to be published in newspaper. R. S. '93, §1464.	.....	1874. '74, ch. 432.
South Dakota	Yes.	Secretary of State. Ann. S. '99, §4205.	1895. '95, ch. 45.
Tennessee	No.	Statement of condition to be published in newspaper every six months. '83, ch. 168.	1883.
Texas[2]	Yes.	Commissioner of insurance, R. S. '95, § 642, p. 164.	1891. '91, ch. 101.
Utah	Yes, quarterly.	Secretary of State, R. S. '98, §430, §388.	1890. '90, p. 107.
Vermont	Yes.	Inspector of finance. Statutes, '94, §4081.	1878.
Virginia	Yes.	Auditor of public accounts. '94, ch. 661, § 16.	1894.
Washington	Yes.	State Auditor. Ballinger's Codes '97, §4266.	1886. '85-6, p. 84.
West Virginia	Yes, quarterly.	Commissioner of banking. '01, ch. 83, § 81, ¶ 8; '01, ch. 85, § 1; 01, ch. 85. §81, ¶15.	1901. '01, ch. 83, § 81,
Wisconsin	Yes.	Secretary of State. Statutes '98, §1791 i.	1885. '85, ch. 33.
Wyoming[1]	No.	.....	

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE VIII.

States and Territories.	Examinations. (State regulation of trust companies.)		
	Required.	Made by.	Year of 1st passage of law.
Alabama	No.	No trust company legislation.	
Arkansas	No.	"	
Arizona[1]	Yes. R. S. '01, §§130-1.	Territorial auditor. Applies to banking companies.	1901.
California	Yes.	Bank commissioners. '91, ch. 264, §14.	1891.
Colorado	No.		
Connecticut	Yes, twice yearly.	Bank commissioners. G. S. '88, §1827.	1872. '72 c. 78.
Delaware	No.		
Dist. of Columbia	Yes.	U. S. Comptroller. Code '01, §720.	1890. U. S. Statutes at Large, vol. 26, p. 63.
Florida	Yes, if doing banking business.	Comptroller at discretion. Applies to "banking companies." R. S. '92, §2191.	1889. '89, ch. 3864.
Georgia	Yes, if doing banking business. '98, p. 79, §12.	Bank examiner. Code '95, vol. 3, §1919.	1889. '89, p. 65.
Idaho	No.		
Illinois	Yes.	Auditor of public accounts. '87, p. 144. R. S. '99, p. 470.	1887.
Indiana	Yes.	Auditor of state. '93, p. 344. Horner's Statutes, '97, §3815o.	1893. '93, p. 344.
Indian Territory	No.	No trust company legislation.	
Iowa	Yes. Code '97, §1873.	Auditor of state in his discretion may appoint examiners. '90, ch. 50, applies to banks. Code '97, §1889, applies banking law to trust companies.	1873. '73, ch. 60, §21.
Kansas[1]	Yes.	Bank commissioner. '01, ch. 407, §13.	1901.
Kentucky	No.		
Louisiana[1]	Yes, in New Orleans parish.	Committee of Legislature every two years. R. S. '97, §303.	1877. '77, p. 129.
Maine	Yes, twice yearly.	Bank examiner. '97, ch. 218. R. S. '83, ch. 47, §119.	1897. '97, ch. 219.
Maryland	Yes.	State treasurer. '92, ch. 109, §85b.	1892. '92, ch. 109.
Massachusetts	Yes.	Commissioners of savings banks. '88, ch. 413.	1888.
Michigan	Yes.	Commissioner of banking. C. L. '97, §§6124-6128, 6172.	1887. '87, ch. 205.
Minnesota	Yes, twice yearly.	Public examiner. Statutes '94, §2853.	1883. '83, ch. 107.
Mississippi	No.		
Missouri	Yes.	Secretary of state. R. S. '99, §1304.	1895. '95, p. 97.

[1] No trust companies in State.

SCHEDULE VIII.—Continued.

States and Territories.	Examinations. (State regulations of trust companies.)		
	Required.	Made by.	Year of 1st passage of law.
Montana	Yes, at discretion of state auditor.	State auditor or some one designated by him. Civil Code §607.	1887, C. S. '87, p. 765.
Nebraska	No provision.	No trust company legislation.	.....
New Mexico[1]	No, but may be made at discretion of secretary of territory.	Secretary of territory. C. L. '97, §28.	1887. '87, ch. 68.
Nevada[1]	No.	No trust company legislation.	.....
New Hampshire	Yes, twice a year.	Board of bank commissioners, three members. '89, ch. 55.	1889.
New Jersey	No.	Commissioner of banking. '99 ch. 174.	1889.
New York	Yes.	Superintendent of banking. '74. ch. 324.	1874.
North Carolina	Yes, if doing banking business.	No trust company legislation. Examiner appointed by state treasurer. '91, ch. 155.	1891.
North Dakota[1]	Yes, twice yearly.	State examiner. Code '99, §3258e.	1897. '97, ch. 143.
Ohio	No, may be made at any time.	Examiner appointed by auditor of state. Bates' S. '97, §3821d.	.....
Oklahoma	Yes.	Bank commissioner. '01, p. 101.	1901.
Oregon	No.	No trust company legislation.	.....
Pennsylvania	Yes.	Superintendent of banking. '91, ch. 190.	1891.
Rhode Island	No.	.....	.....
South Carolina	Yes.	Bank examiner. '96, ch. 48.	1896.
South Dakota	No.	.....	.....
Tennessee	No.	.....	.....
Texas[2]	No, but may be made at any time.	Commissioner of insurance. R. S. '95, §643, ¶37.	1891. '91, ch. 101.
Utah	Yes.	Bank examiner. R. S. 98, §2441.	1898. R. S. '98, §2441. This § was added by revisors and adopted by legislature.
Vermont	Yes.	Inspector of finance. Statutes '94, §4120.	1874.
Virginia	No, but may be made at any time.	Auditor of public accounts. '94, ch. 661, §18.	1894.
Washington	No.	.....	.....
West Virginia	Yes.	Bank commissioner. '91, ch. 26. Code '99, p. 598; '01, ch. '85, §7.	1891. '91, ch. 26.
Wisconsin	Yes.	Bank examiner. '95, ch. 291.	1895.
Wyoming[1]	Yes.	State examiner. R. S. '99, §129.	1891. '91, ch. 84.

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE IX.

States and Territories.	Receivership. (State regulation of trust companies.)			
	May state officials apply for receiver?	Year of first passage.	May state officials take possession pending appointment of receiver?	Year of first passage of law.
Alabama	No provision. No trust company legislation.	.....	No.	....
Arkansas	" " "	.....	No.	....
Arizona[1]	" " "	.....	No.	....
California	Yes. Attorney general on information of bank commissioners, '91, ch. 264, § 17.	1891.	No.	....
Colorado	No.	.....	No.	...
Connecticut	Yes. G. S. '88, § 1830.	1879. '79, ch. 8.	No. But bank or trust company may be restrained from paying out on application of commissioners to court, '97, ch. 3.	1897.
Delaware	No. No trust company legislation.	.....	No.	....
Dist. of Columbia.	Yes. U. S. District Attorney, Code '01, § 786. U. S. Comptroller. U. S. Statutes at L. Vol. 26, p. 625, § 6.	1890.	Yes. Comptroller, Code, '01, §720.	1890. U. S. Statutes at L. Vol. 26, p. 6[illegible] § 6.
Florida	No trust company legislation. No provision as to trust companies. Comptroller may apply in case of banking companies, R. S. '92, § 2192.	1889. '89, ch. 3864. § 37.	No.	....
Georgia	Yes. If doing banking business, '98, p. 79, § 12. Bank examiner reports to governor who directs attorney general to begin proceedings, '95, p. 58.	1895. '95, p. 58.	No.	....
Idaho	No provision.	.....	No.	....
Illinois	Yes. '87, p. 144, § 13; R. S. '99, p. 470.	1887.	No. '87, p. 144, §13.	....
Indiana	Yes. '93, p. 344.	1893.	No. '93, p. 344.	....
Indian Territory.	No. No trust company legislation	.....	No.	....
Iowa	Yes. By attorney general on information of state auditor. Code '97, § 1877, applies to banks. Code '97§, 1889, applies banking law to trust companies.	1873. '73, ch. 60 § 25.	No.	....
Kansas[1]	Yes. Attorney general on information of bank commissioner, G. S. '99, §§ 418, 434, '01, ch. 407, § 15.	1901. '01, ch. 407.	Yes.	1901. '01, ch. 407, § 15.
Kentucky	Yes. Attorney general, '94, ch. 35. Secretary of state, statutes, '94, § 616.	1894.	No.	....
Louisiana[1]	Yes. Auditor of public accounts may act. R. L. '97, §§ 284, 293.	1855. '55, ch. 166.	No.	.. ..
Maine	Yes. '97, ch. 218, R. S. '83, ch. 47, § 121.	1897.	No. R. S. '83, ch. 47, §121.	....
Maryland	Yes. Attorney General on information, '92, ch. 109.	1892. '92, ch. 109.	No.	....
Massachusetts	Yes. '88, ch. 413.	1888. '88, ch. 413.	No. Injunction may be granted, '88, ch. 418.	1888.
Michigan	Yes. C. L. '97, § 6184. Attorney general on information of bank commissioner.	1887. '87, ch. 205.	Yes.	....
Minnesota	Yes. Statutes '94, § 2854. Attorney general on information of state auditor or public examiner.	1883. '83, ch. 107.	Yes.	1899. '99, ch. 200, § 14.
Mississippi	No provision.	No.	No.	....
Missouri	Yes. R. S. '99, § 1305.	1897. '97, p. 83.	Yes. '97, p. 83.	1897. R. S. '9[illegible] §1305.

[1] No trust companies in State.

SCHEDULE IX.—Continued.

States and Territories	Receivership. (State regulation of trust companies.)			
	May state officials apply for receiver?	Year of first passage.	May state officials take possession pending appointment of receiver?	Year of first passage of law.
Montana	No provision.	.....	No.	....
Nebraska	No provision. No trust company legislation.	.....	No.	....
New Mexico[1]	Yes. Attorney General on information of Secretary of territory, C. L. '97, § 280.	1887. '87, ch. 68, § 20.	No.	....
Nevada[1]	No provision. No trust company legislation.	....	No.	....
New Hampshire	Yes. R. S. '01, p. 537.	1889. '89, ch. 55. The law for banks was passed in 1837. In 1889 trust companies were brought under its provisions.	No.	
New Jersey	Yes. '99, ch. 174, § 24.	1889.	Yes. '99, ch. 174, §22.	1889.
New York	Yes. '82, ch. 409, § 223.	1882.	No. '93, ch. 333, §18.	....
North Carolina	Yes. '93, ch. 478. Applies to banking corporations. No trust company legislation.	1891. '91, ch. 155.	No.	....
North Dakota[1]	Yes. Attorney general on information of state examiner. Code, '99, § 8258 p.	1897. '97, ch. 143.	No.	....
Ohio	No.	.....	No.	....
Oklahoma	Yes. Bank commissioner, '01, p. 101.	1901.	Yes. Bank commissioner, '01, p. 101.	1901.
Oregon	No provision. No trust company legislation.	.....	No.	....
Pennsylvania	Yes. '91, ch. 190.	1891.	Yes. '91, ch. 190, §9.	1891.
Rhode Island	No provision.	.....	No.	....
South Carolina	Yes. '96 ch. 48. No special trust company legislation in state. Such companies operate under banking and corporation laws.	.....	No.	....
South Dakota	No provision.	.....	No.	....
Tennessee	Governor and attorney general of state may direct attorney general of district to apply, Code '96. § 6168.	1846.	No. Code '96, §§5165-5187.	....
Texas[2]	No provision.	.....	No.	....
Utah	Yes. Attorney general on information of secretary of state. R. S. '98, § 390.	1890. '90, ch. 70. Examiner may also apply for receiver, '90, ch. 70.	No.	....
Vermont	Yes. '84, ch. 41, § 42.	1884.	Yes. If court orders. '84, ch. 41, § 42.	1884.
Virginia	No.	.....	No.	....
Washington	No.	.....	No.	....
West Virginia	Yes. Bank examiner may report insolvent bank to board of public works who may revoke charter, '91, ch. 26. Bank examiner may apply for receiver with consent of governor and attorney general, '01, ch. 83, §81; '01, ch. 85, §1.	1891. 1901.	No.	...
Wisconsin	No.	.....	No.	....
Wyoming[1]	Yes. Governor on information of state examiner, R. S. '99, § 130.	1891. '91, ch. 84	Yes.	....

[1] No trust companies in State.

[2] Schedule XIX.

States and Territories.	SCHEDULE X. Securities required of trust companies.	SCHEDULE XI. Double liability of stockholders.			
	Deposit of funds with state officials.	Banks.	Year of 1st passage of law.	Trust companies.	Year of 1st passage of law.
Alabama	No trust co. legislation.	No.	....	No trust co.	legislation
Arizona[1]	" " "	No.	...	" "	"
Arkansas	" " "	No.	....	" "	"
California	$200,000 with treasurer, '91, ch. 264.	No. Pro rata liability.	Const. art. 12, §3.	No. Pro rata liability.	Const. art. 12
Colorado	No.	Yes. Mills' S. p. 650.	1877	No.	....
Connecticut	No.	No.	....	No.	....
Delaware	Banks and trust companies are specially chartered.				
Dist. of Columbia.	Yes. Code §746.	Yes. C. L. '94, ch. 15, §162.	1876	Yes. Code §734.	1
Florida	No trust co. legislation.	Yes. R. S. '92, §2172.	1889	No trust co.	legislation
Georgia	No.	Yes. '91, p.175.	1891	Yes. '98, p.81. Some are specially charterd.	1
Iowa	No.	Yes. '74, ch. 60.	1874	Yes. Code, '97, §1889.	1
Idaho	No.	No.	....	No.	....
Illinois	$200,000 in cities of 100,000; $50,000 elsewhere, R. S. '99, p. 470.	Yes. Const. Art. 11, §6.	1870	Banks may trust powers.	acquire
Indian Territory.	No legislation on banks or trust companies.				
Indiana	No.	Yes. Const. art. 11.	1851	Yes. '93, p. 344	1
Kansas[1]	No.	Yes. '91, ch. 43.	1891	Yes. '01, ch. 407	1
Kentucky	No.	Yes. '93, ch. 171.	1893	Yes. '93, ch. 171.	1
Louisiana[1]	Court may require.	No.	....	No.	....
Massachusetts	No.	No state banks in state.		Yes. '88, ch. 413.	1
Maryland	15% of capital with treasurer. The deposit to be not less than 10% of value of capital, and $30,000 in amount, '92, ch. 109.	Yes. '70, ch. 268.	Const. 1851 " 1867	Yes. '92, ch. 109.	1
Maine	No.	Yes. '83, ch. 47.	1841	Yes. '99, ch. 68. Liability usually fixed by charter.	1
Michigan	50% of capital with treasurer C. L. '97, §6157.	Yes. '87, ch. 205.	1887	Yes. '89, ch. 108.	1
Minnesota	$100,000 with auditor, S. '94, §2845.	Yes. S. '94, §2501.	1866	Yes. const. X. §3.	1
Mississippi	No.	No.	....	No.	....
Missouri	$200,000 with Supt. of Insurance, '91, p. 99.	No.	....	No.	....

[1] No trust companies in State.

States and Territories.	SCHEDULE X.—Cont. Securities required of trust companies.	SCHEDULE XI.—Cont. Double liability of stockholders.			
	Deposit of funds with State officials.	Banks.	Year of 1st passage of law.	Trust companies.	Year of 1st passage of law.
Montana	No.	No.	....	No.	....
Nebraska	No.	Yes.	Const. 1875, art. 2, §7.	No trust co.	legislation
Nevada[1]	No.	No individual liability exists.	Const. 1864, art. 8, §3.	No trust co.	legislation
North Carolina	No.	No.	....	No.	....
North Dakota[1]	$50,000 with state auditor. Code, §3258.	Yes. '90, ch. 23	1890	No.	....
New Hampshire	No.	No.	....	No.	....
New Jersey	Yes. Trust liabilities not to exceed 10 times fund deposited, '99, ch. 174.	No.	....	No.	....
New Mexico[1]	No.	No.	....	No.	....
New York	Court may require, '98, ch. '98.	Yes. '82, ch. 409.	1882	Yes. '87, ch. 546.	1887
Ohio	Probate court may require. Bates, §3821d	Yes. Const. art. 13.	1851	Yes. '82, p. 101.	1882
Oregon	No trust co. legislation.	No.	....	No trust co.	legislation
Oklahoma	$200,000 with treas., '01, p. 99.	Yes.	....	No.	....
Pennsylvania	No.	Yes. Pepper & Lewis, p. 263.	1876	No.	....
Rhode Island	No.	Yes. G. L. '96, p. 541.	1872	Fixed by charter.	
South Carolina	No.	Yes. Const. art. 9, §18.	1895	Yes, if engaged in banking.	
South Dakota	No.	Yes. '91, ch. 27.	1891	No.	....
Tennessee	No.	No.	...	No.	....
Texas[2]	$50,000 with state treasurer, R. S. '95, §642.	No.	....	No.	....
Utah	No. R. S. '98, §§423-30.	Yes. Const. '95, art. 12, §18.	1888	No.	....
Virginia	5% of capital with treasurer, '94, ch. 661.	No.	....	No.	....
Vermont	No.	No.	....	Yes. '84, ch. 41.	1884
West Virginia	20% of capital. '01, ch. 85.	Yes. '01, ch. 83	1881	Yes. '01, ch. 85.	1891
Washington	No.	Yes. '86, p. 85.	1886	Yes. '86, p. 85.	1886
		No legislation for other than bk's with trust powers.			
Wisconsin	50% of capital. S. '98, §1791d.	Yes. S. '98, p. 1537.	1852	No.	...
Wyoming[1]	No. '88, ch. '88.	Yes. '88, ch. 88	1888	Yes. '88, ch. 88.	1888

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE XII.

States and Territories.	A. Deposits: proportionate reserve required.		B. Deposits: proportionate reserve required.	
	Banks.	Year of passage of law.	Trust co's.	Year of passage of law.
Alabama	None.		None.	
Arkansas	None.		None.	
Arizona[1]	15%	R. S. '01, §138.	None.	
California	None.		None.	
Colorado	20%	1877. G. L. '77, p. 165. Mills S. §526.	None.	
Connecticut	15%	1901. '01, ch. 143.	15%	1901. '01, ch. 143.
Delaware	None.		None.	
Dist. of Columbia	25%	1872. Code '01, §713. U. S. Revised S. '74, §5191.	None.	
Florida	20%	1889. '89, ch. 3864; R. S. '92, §2182.	None.	
Georgia	25%	1891. '90-1, p. 171. Code '95, vol. 3, §1915.	25%	1898. if doing banking business. '98, p. 78. Code '95, vol. 3, §1915.
Idaho	None.		None.	
Illinois	None.		None.	
Indiana	None.		None.	
Indian Territory	None.		None.	
Iowa	15% 20% 10% 15%	1897. for savings banks in cities under 3,000. elsewhere. for state banks in cities under 3,000. others. Code '97, §1867.	None.	
Kansas[1]	20% 25%	1897. in cities under 5,000. in other cities. '97, ch. 47; G. S. '99. §418.	25% 10%	1901. of demand. of time. '01, ch. 407.
Kentucky	15% 25%	1894. in cites over 50,000. '94, ch. 35.	None.	
Louisiana[1]	25%	1900. of demand deposits. '00, ch. 116.	25%	1900. of demand deposits. '00, ch. 116.
Maine	15% 5%	1893. of demand deposits, or those requiring 10 days notice. '93, ch. 281. savings banks.	15%	1893. of demand deposits or those requiring 10 days notice. '93, ch. 281.
Maryland	None.		None.	
Massachusetts	None. (Savings banks.)		15%	1888. of demand deposits. '88, ch. 413.
Michigan	15% 20%	1887. in cities exceeding 100,000. '87, ch. 205; C. L. '97, §6113.	20%	1891. of obligations and money. '91, ch. 128; C. L. '97, §6165.
Minnesota	20%	1895. of immediate liabilities. '95, ch. 145.	None.	

[1] No trust companies in State.

SCHEDULE XII.—Continued.

States and Territories.	A.		B.	
	Deposits: proportionate reserve required.			
	Banks.	Year of passage of law.	Trust co's.	Year of passage of law.
Mississippi	None.	.....	None.	.....
Missouri	15%	1899. R. S. '99, §§1280, 1304.	15%	1899. R. S. '99, §§1280, 1304.
Montana	20%	1887. of immediate liabilities. Civil Code §584. C. S. '87, p. 754.	None.	.....
Nebraska	15% 20%	1895. in cities of 25,000. '95, ch. 17.	None.	.....
Nevada[1]	5%	for savings banks with no capital. '69, ch. 93, §11.	None.	.....
New Hampshire	None.	.....	None.	.....
New Jersey	15%	1899. of liabilities. '99, ch. 173, §20.	15%	1899. of liabilities. '99, ch. 174, §20.
New Mexico[1]	None.	.....	None.	.....
New York	15% 10%	1895. in cities of 800,000. elsewhere. '95, ch. 929, §44.	None.	.....
North Carolina	None.	.....	None.	.....
North Dakota[1]	20%	1893. '93, ch. 27, §20. Code 99, §3245.	None.	.....
Ohio	20%	1879. '79, p. 73; Bates, p. 1993.	15%	1882. of demand deposits or those payable in ten days. '82, p. 101; Bates 3821b.
Oklahoma	15%	1897. '97, ch. 4, §23.	None.	.....
Oregon	None.	.....	None.	.....
Pennsylvania	None.	.....	None.	.....
Rhode Island	None.	.....	None.	.....
South Carolina	None.	.....	None.	.....
South Dakota	20%	1891. '91, ch. 27.	None.	.....
Tennessee	None.	.....	None.	.....
Texas[2]	None.	.....	None.	.....
Utah	20% 15%	1878. in cities of 25,000. elsewhere. R. S. '98, §378; U. S. R. S. 1878, §5191.	20% 15%	1890. in cities of 25,000. elsewhere. This applies to trust companies engaged in banking. R. S. '98, §424.
Vermont	None.	.....	None.	.....
Virginia	None.	.....	None.	.....
Washington	None.	.....	None.	.....
West Virginia	15%	1901. '01, ch. 83, §80.	15%	1901. '01, ch. 85, §1.
Wisconsin	None.	.....	None.	.....
Wyoming[1]	None.	.....	None.	.....

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE XIII A.

States and Territories.	LOANS (Legal restrictions). Banks.
Alabama	None.
Arizona	None.
Arkansas	None.
California	None.
Colorado	Not over 25% of paid in capital in one loan. Mills S. ch. 12, §2.
Connecticut	Not over 20% of paid in capital, surplus and undivided profits. '01, ch. 143.
Delaware	No general law in state. Banks and trust companies are specially chartered.
Dist. of Columbia	National banks. Not over 10% of paid in capital in one loan.
Florida	Not on capital stock. R. S. §2183.
Georgia	Not over 10% of capital and surplus in one loan. '98, p. 48. Total loans to officers not to exceed 25% of capital. Code §1948. Not to loan on officer's indorsement. Code §1949.
Iowa	Not over 20% of paid in capital to one person; discount of bills of of exchange and commercial paper not counted as loan. Code '97, §1870.
Idaho	None.
Illinois	Not over 1/10 paid in capital in one loan; discount of bills of exchange and commercial paper not counted as loan. R. S. '99, p. 200.
Indian Territory	None.
Indiana	None.
Kansas	Not over 15% of paid in capital and surplus in one loan; discount of bills of exchange and commercial paper not counted as loan. G. S. '01, §419.
Kentucky	Not over 20% of paid in capital and surplus in one loan; no person to become liable to bank for more than 30% capital and surplus. S. '94, §583.
Louisiana	Not to loan on capital stock. R. S. '97, §281.
Massachusetts	Not to loan to officers. '94, ch. 317, §22. (Savings banks.)
Maryland	To states not to exceed $50,000. P. G. L. p. 107.
Maine	Not to loan to officers. R. S. '83, ch. 47, §104.
Michigan	Not over 1/10 paid in capital in one loan, 1/5 by 2/3 vote of directors; bills of exchange and commercial paper discounted not counted as loan. Not over 50% of capital to be loaned on real estate, 2/3 vote of directors necessary. C. L. '97, §§6112, 6142. Not to loan on capital stock. '99, ch. 265.
Minnesota	Not over 15% of paid in capital and surplus in one loan. S. §2428.
Mississippi	Not over 1/5 capital in one loan. Code §851.
Missouri	Not over 25% of paid in capital and surplus in one loan if surplus is 50% of capital. R. S. '99, §1292. Discount of bills of exchange, and commercial paper not counted as loans if based on collateral.
Montana	Not over 15% of paid in capital and surplus in one loan. C. C. §583. Discount of commercial paper and bills of exchange not counted as loan.
Nebraska	Not over 20% of paid in capital in one loan nor total of 50% of capital to stockholders collectively. Bills of exchange, and commercial paper discounted not counted as loans. C. S. '97, §642.
Nevada	None.
North Carolina	None.
North Dakota	Not to loan on or hold own stock. R. C. 99, §§3244-7. Not over 15% of paid in capital in one loan. Bills of exchange, and commercial paper discounted and loans on collateral not counted as loans. R. C. '99, §3247.
New Hampshire	Not over 10% of deposits or capital stock in one loan. P. S. '01, p. 541.
New Jersey	Not over 10% of paid in capital and surplus in one loan; discount of commercial paper and bills of exchange not counted as loans. Not to loan on or buy its own stock. '99, ch. 173.
New Mexico	Not to loan on or buy its own stock. C. L. '97, §244.
New York	Not over 1/5 paid in capital and surplus in one loan; discount of bills of exchange, commercial paper and loans on collateral not counted as loans; not to loan on shares. Birdseye S. p. 204.
Ohio	Not over 1/10 paid in capital in one loan; discount of bills of exchange, and commercial paper not counted as loans. Bates' S. §§3821-80. Not to loan on or own its own capital stock. Bates' S. §§3821-71.
Oklahoma	Not over 20% of paid in capital and surplus in one loan; discount of bills of exchange and commercial paper not counted as loan. Not over 50% of capital to be loaned to stockholders. '99, ch. 4. Not to loan on its own stock.
Oregon	None.
Pennsylvania	Not over 10% of paid in capital and surplus to director. Loans to officers not to exceed 25% of capital paid in. '01, ch. 268. Not to loan on capital. P. & L. Digest, p. 270.
Rhode Island	Fixed by charter.
South Carolina	Not over 1/10 paid in capital and surplus in one loan. '97, ch. 291.
South Dakota	Not over 15% of capital in one loan; discount of bills of exchange, and commercial paper not counted as loans. R. S. '99, §4358. Not to loan on shares of its stock. R. S. '99, §4358. Real estate loans not to exceed 60% of capital. R. S. '99, §4340.
Tennessee	None.
Texas[1]	None.
Utah	Not over 15% of paid in capital and surplus to one person nor 10% to officer. R. S. '98, §§379, 380. Discount of bills of exchange and commercial paper not counted as loans.
Vermont	None.
Virginia	Not over 1/10 paid in capital in one loan; discount of bills of exchange and commercial paper not counted as loans. Code §1168. Not to loan on shares of its stock. Code §1163.
West Virginia	Not over 50% of capital, surplus and undivided profits in one loan; discount of bills of exchange and commercial paper not counted as loans. Not to loan on its own stock. '01, ch. 83, §79.
Washington	None.
Wisconsin	None.
Wyoming	Not over 1/7 of paid in capital in one loan; discount of bills of exchange, and commercial paper not counted as loans; 1/10 if capital exceeds $40,000. R. S. '99, §3096. Not to loan on its own stock. R. S. '99, §3088.

[1] Schedule XIX.

SCHEDULE XIII B.

States and Territories.	LOANS (Legal restrictions).
	Trust companies.
abama	None.
izona[1]	None.
kansas	None.
lifornia	None.
lorado	Not to stockholders. Mills S. §535.
nnecticut	Same as banks. '01, ch. 143.
laware	Banks and trust companies are specially chartered. No general law in State.
st. of Columbia	None.
orida	None.
orgia	Same as banks. '98, p. 82.
wa	Same as banks. Code '97, §1889
aho	None.
inois	Same as banks; banks may acquire trust powers.
dian Territory	None.
diana	Not to loan to directors. Horner's S. '01, §3815m.
nsas[1]	None.
ntucky	Not over 20% of paid in capital in one loan. S. '94, §610.
uisiana[1]	Same as banks. R. S. '97. §281.
ssachusetts	Not to persons outside state, nor over 1/5 of paid in capital in one loan. '88, ch. 413. If capital is $500,000, 1/5 capital paid in and surplus. Discount of bills of exchange and commercial paper not counted as loans. '01, ch. 255.
ryland	Fixed by charter.
ine	Not to loan to officers without approval of directors: not to loan on capital stock. '01, ch. 196.
ichigan	None.
innesota	Not to officers. S. '94, §2851.
ssissippi	None.
issouri	Must be on collateral. R. S. '99, §1430.
ontana	None.
ebraska	None.
evada[1]	None.
orth Carolina	None.
orth Dakota[1]	None.
w Hampshire	Same as banks. P. S. p. 541.
w Jersey	Not to loan on its own stock. Loans must be on collateral. '99, ch. 174.
w Mexico[1]	None.
w York	Same as banks; 1/10 of paid in capital may be loaned to officer. Birdseye, p. 248.
hio	Not over 1/10 paid in capital in one loan; none to officers or employees; must be on collateral. Bates' S. §3821a.
klahoma	None.
regon	None.
nnsylvania	Same as banks in regard to loans to officers. '01, ch. 288.
hode Island	Fixed by charter.
uth Carolina	Fixed by charter.
uth Dakota	None.
nnessee	None.
xas[2]	None.
tah	Same as banks. R. S. '98, §424.
rmont	Not over 5% of deposits or $30,000 in one loan, nor over $10,000 on personal security. S. '94, §4102. Not over 5% of paid in capital to officers, discount of bills of exchange, and commercial paper owned by officer not counted. S. '94, §4103. May loan over 5% to one person if deposits are $1,000,000. '00, ch. 53.
rginia	Fixed by charter.
est Virginia	None.
shington	None.
sconsin	None.
yoming[1]	None.

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE XIV A.

States and Territories.	INVESTMENTS. (Legal restrictions.) Banks.
Alabama	None.
Arizona	None.
Arkansas	None.
California	None.
Colorado	May hold only necessary real estate and that acquired in business. Mills S.
Connecticut	Fixed by charter.
Delaware	Banks and trust companies are specially chartered. No general law in state.
Dist. of Columbia	National Banks. Yes.
Florida	None.
Georgia	None.
Iowa	None.
Idaho	None.
Illinois	None.
Indian Territory.	None.
Indiana	May hold only necessary real estate and that acquired in business. Horner's S. §2695.
Kansas	May hold real estate to value of 50% of capital. G. S. '01, §457. Not to engage trade or buy stock of bank or corporation or loan or hold its own stock; may hold own stock if necessary to prevent loss. G. S. '01, §417.
Kentucky	May hold only necessary real estate and that acquired in business. S. '94, Not engage in trade. S. §582.
Louisiana	Not engage in trade. R. L. §314.
Massachusetts	Many restrictions. '94, ch. 317, §21. May hold real estate to amount of 5% of capi
Maryland	Not to deal in other than exchange, notes, bullion, stocks, or bonds. P. G. L. p.
Maine	Many restrictions; only in prescribed securities. R. S. '83, ch. 47, §§102, 103; '93, 170; '95, ch. 161.
Michigan	May hold only necessary real estate or that acquired in business. C. L. '97, §610.
Minnesota	May hold only necessary real estate and that acquired in business. S. '94, §2500.
Mississippi	May own $1,000.000 worth of property. Code §888.
Missouri	Not to engage in industrial pursuits. R. S. '99, §1291.
Montana	May hold only necessary real estate and that acquired in business. C. C. §575.
Nebraska	May hold only necessary real estate and that acquired in business. C. S. '97,
Nevada	None.
North Carolina	None.
North Dakota	May hold only necessary real estate and that acquired in business. R. C. '99, §2
New Hampshire	Not over 10% of deposits or paid in capital in one investment. P. S. '01, p. 541.
New Jersey	Not over 25% of capital in real estate. May hold real estate acquired by judic sale. '99, ch. 173.
New Mexico	May hold real estate necessary for business and that acquired by judicial sa C. L. '97, §248.
New York	May hold only necessary real estate and that acquired in business. Birdseye p.
Ohio	May hold necessary real estate and that acquired by judicial sale. Bates' S. §2
Oklahoma	Not over 1/3 of capital to be invested in real estate except such as is acquired business. Not to engage in commerce, nor invest in stock of corporation nor d count on, or own shares of its own stock. '99, ch. 4.
Oregon	None.
Pennsylvania	Only real estate necessary and that acquired in business. P. & L. Digest p. 288.
Rhode Island	Fixed by charter.
South Carolina	Fixed by charter.
South Dakota	Only real estate necessary and that acquired in business. R. S. '99, §4340.
Tennessee	Only necessary real estate and that acquired in business. Code '96, §3226.
Texas[1]	None.
Utah	Necessary real estate and that acquired in business. R. S. '98, §376.
Vermont	Necessary real estate and that acquired in business. Not to invest funds in tr or commerce. S. '94, §§4031,2.
Virginia	Necessary real estate and that acquired in business. Code §1163.
West Virginia	May not deal in real estate, buy stocks, bonds or securities of corporation or gu antee corporate debts. Code '99, p. 538. '01, ch. 83, §76.
Washington	None.
Wisconsin	May hold only necessary real estate and that acquired in business. S. '98, §2024.
Wyoming	Not to buy its own stock except when necessary. R. S. '99, §3088. May hold o necessary real estate and that acquired in business.

[1] Schedule XIX.

SCHEDULE XIV B.

States and Territories.	Investments. (Legal restrictions.)
	Trust companies.
Alabama	None.
Arizona[1]	None.
Arkansas	None.
California	None.
Colorado	Not in stock of private corporations. Mills' S. §544a.
Connecticut	Fixed by charter.
Delaware	Fixed by charter.
Dist. of Columbia	May hold $500,000 of real estate, and that acquired in business. Act 1890, §12.
Florida	None.
Georgia	None.
Iowa	None.
Idaho	None.
Illinois	None.
Indian Territory	None.
Indiana	None. Not to engage in commerce. Horner's S. '01, §3815m.
Kansas[1]	May hold real estate to value of 50% of capital. G. S. '01, §1477.
Kentucky	None.
Louisiana[1]	Same as banks. R. S. '97, §314.
Massachusetts	Restricted as to trust funds. '88. ch. 413, §7. May hold $250,000 of real estate, '88, ch. 413, §18.
Maryland	Fixed by charter.
Maine	None.
Michigan	Not over 50% of paid in capital and surplus in real estate. C. L. §6165.
Minnesota	Realty only by contracts and stipulations.
Mississippi	None.
Missouri	May own only necessary real estate. R. S. '99, §1430.
Montana	May own only necessary real estate. C. C. §606.
Nebraska	None.
Nevada[1]	None.
North Carolina	None.
North Dakota[1]	None.
New Hampshire	Same as banks. P. S. '01, p. 541.
New Jersey	None.
New Mexico[1]	None.
New York	Capital to be invested in bonds and mortgages. May not hold more than 10% of stock of private corporations. Birdseye S., p. 251.
Ohio	Real estate same as banks. List of securities for investments prescribed. Bates' S. §3821a.
Oklahoma	None.
Oregon	None.
Pennsylvania	None.
Rhode Island	Fixed by charter.
South Carolina	Fixed by charter.
South Dakota	None.
Tennessee	None.
Texas[2]	None.
Utah	Federal, state, municipal and school district bonds and real estate mortgages. R. S. '98, §429.
Vermont	Not over 70% of paid in capital in real estate, mortgages nor 1/3 of assets in personal securities. S. '94, §4099. Other minute regulations. S. '94, §4101.
Virginia	None.
West Virginia	May hold real estate of which they have insured the title. '01, ch. 85.
Washington	None.
Wisconsin	None.
Wyoming[1]	May hold only necessary real estate. No restrictions as to personal securities. R. S. '99, §3131.

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE XV A.

States and Territories.	CAPITAL. (Legal restrictions.) Banks.
Alabama	Minimum, $15,000 to $25,000 paid in. '99, p. 27; maximum, $500,000. Code '96, §§1085, 1086.
Arizona	None.
Arkansas	None.
California	Minimum, $25,000 to $200,000; no maximum. '95, ch. 167. Half paid in in money.
Colorado	Minimum, $30,000, half paid in; no maximum. Mill's S. §510.
Connecticut	Fixed by charter.
Delaware	"
Dist. of Columbia	Minimum $25,000 to $200,000; no maximum. 50% paid in U. S. R. S. §5138-40.
Florida	Minimum, $15,000 to $50,000, half paid in. R. S. §2169.
Georgia	Minimum, $25,000; no maximum. 20% or $15,000 paid in. Code §1910.
Iowa	Minimum, $25,000 to $50,000 paid in. Code '97, §1864.
Idaho	None.
Illinois	Minimum, $25,000 to $200,000 paid in; no maximum. R. S. '99, pp. 199-200.
Indian Territory	None.
Indiana	Minimum, $25,000; no maximum. 50% paid in. Horner's S. '01, §§2884, 2890.
Kansas	Minimum, $5000; no maximum; paid in. G. S. '01, §408.
Kentucky	Minimum, $50,000 to $100,000; half paid in; no maximum. S. '94, §577, '98, ch. 32.
Louisiana	Minimum, $10,000 to $100,000 paid in. R. S. §276.
Massachusetts	Fixed by charter.
Maryland	Minimum, $300,000 in Baltimore, $50,000 in any other part of the state; maximum, $2,000,000 in Baltimore, $500,000 in any other part of the state. P. G. L. p. 100.
Maine	Fixed by charter.
Michigan	Minimum, $20,000 to $250,000, half paid in. '99, ch. 265.
Minnesota	Minimum, $10,000 to $25,000 paid in. S. '94, §2490.
Mississippi	None.
Missouri	Minimum, $10,000; maximum, $5,000,000, half paid in. R. S. '99, §1278.
Montana	Minimum, $20,000; no maximum. C. C. §570.
Nebraska	Minimum, $5,000 to $50,000; no maximum. C. S. '97, §619.
Nevada	None.
North Carolina	Fixed by charter.
North Dakota	Minimum, $5000 to $50,000, 50% paid in. R. C. '99, §3231.
New Hampshire	Fixed by charter.
New Jersey	Minimum, $50,000 paid in. '99, ch. 173.
New Mexico	Minimum, $30,000, half paid in. C. L. '97, §244.
New York	Minimum, $25,000 to $100,000 paid in. Birdseye, p. 212.
Ohio	Minimum, $25,000; maximum, $500,000; 80% paid in. Bates' S. §§3821,3886, 3867.
Oklahoma	Minimum, $5000 paid in. '99, ch. 4.
Oregon	None.
Pennsylvania	Minimum, $50,000, half paid in. Pepper and Lewis, Dig. p. 263.
Rhode Island	Fixed by charter.
South Carolina	Fixed by charter.
South Dakota	Minimum, $5,000 to $25,000; half paid in. R. S. '99, §4342.
Tennessee	None.
Texas[1]	None.
Utah	Minimum, $25,000 to $100,000; maximum, $1,000,000, 25% paid in. R. S. '98, §375.
Vermont	Minimum, $50,000; maximum, $500,000 paid in. S. '94, §3998.
Virginia	Fixed by charter.
West Virginia	Minimum, $25,000, maximum, $500,000; 40% paid in. '01, ch. 83.
Washington	None.
Wisconsin	Minimum, $25,000, maximum, $500,000; $15,000 paid in. S. '98, §2024.
Wyoming	Minimum, $10,000 to $100,000; 50% paid in. R. S. '99, §3086.

[1] Schedule XIX.

SCHEDULE XV B.

States and Territories.	CAPITAL. (Legal restrictions.)
	Trust companies.
Alabama	None.
Arizona[1]	None.
Arkansas	None.
California	Minimum, $250,000 paid in. '91, ch. 264.
Colorado	Minimum, $50,000 to $250,000 paid in. Mills' S. §544j.
Connecticut	Fixed by charter.
Delaware	Fixed by charter.
Dist. of Columbia	Minimum, $1,000,000, half paid in. Act 1890, §14.
Florida	None.
Georgia	Minimum, $100,000; maximum, $2,000,000, $100,000 paid in. '98, p. 82.
Iowa	Same as banks.
Idaho	Minimum, $25,000 paid in. No maximum. '01, p. 26.
Illinois	Same as banks.
Indian Territory	None.
Indiana	Minimum, $25,000 to $100,000 paid in. Horner's S. '01, §3815c.
Kansas[1]	Minimum, $100,000; maximum, $1,000,000, 1/5 paid in, remainder within 6 months. G. S. '01, §1469.
Kentucky	Minimum, $15,000 to $200,000, half paid in; no maximum. S. '94, §§803, 807. '98, ch. 32. '97, ch. 14.
Louisiana[1]	Minimum, $10,000 paid in; no maximum. R. S. §277.
Massachusetts	Fixed by charter.
Maryland	Fixed by charter. Foreign surety companies capital, $250,000 paid in.
Maine	Fixed by charter.
Michigan	Minimum, $150,000; maximum, $5,000,000, half paid in. C. L. '97, §6157.
Minnesota	Minimum, $200,000; maximum, $2,000,000, $200,000 paid in. '99, ch. 200.
Mississippi	Minimum, $100,000; maximum, $1,000,000; $50,000 paid in.
Missouri	Minimum, $1,000,000; maximum, $10,000,000, quarter paid in. R. S. §1429.
Montana	Minimum, $100,000; maximum, $10,000,000; $100,000 paid in. C. C. §605.
Nebraska	None.
Nevada[1]	None.
North Carolina	Fixed by charter.
North Dakota[1]	None.
New Hampshire	Fixed by charter.
New Jersey	Minimum, $100,000 paid in. '99, ch. 174.
New Mexico[1]	None.
New York	Minimum, $100,000 to $500,000 paid in. Birdseye, p. 246.
Ohio	Minimum, $200,000 paid in. Bates' S. §3821d.
Oklahoma	Minimum, $200,000, half paid in. '99, ch. 11, art. 5.
Oregon	None.
Pennsylvania	Minimum, $125,000 paid in. '95, ch. 286.
Rhode Island	Fixed by charter.
South Carolina	Fixed by charter.
South Dakota	None.
Tennessee	None.
Texas[2]	None.
Utah	Minimum, $25,000 to $100,000 paid in.
Vermont	Fixed by charter.
Virginia	Fixed by charter.
West Virginia	Minimum, $150,000 paid in. '01, ch. 85.
Washington	None.
Wisconsin	Minimum, $100,000; maximum, $5,000,000; 50% paid in. S. '98, §1791d.
Wyoming[1]	Same as banks. 25% paid in; 10% of remainder a month. R. S. '99, §3129.

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE XVI.

States and Territories.	A. LIABILITIES. (Legal restrictions.) Banks.	B. LIABILITIES. (Legal restrictions.) Trust companies.
Alabama	None.	None.
Arizona[1]	None.	None.
Arkansas	None.	None.
California	None.	Deposits must not exceed 10 times capital. '91, ch. 264.
Colorado	None.	None.
Connecticut	Fixed by charter.	Fixed by charter.
Delaware	Fixed by charter.	Fixed by charter.
Dist. of Columbia	.....	None.
Florida	Not to exceed capital; deposits, bills of exchange and liabilities for dividends not counted. R. S. §2184.	None.
Georgia	None.	None.
Iowa	None.	None.
Idaho	None.	None.
Illinois	None.	None.
Indian Territory	None.	None.
Indiana	None.	None.
Kansas[1]	None.	None.
Kentucky	None.	None.
Louisiana[1]	None.	None.
Massachusetts	None.	None.
Maryland	Not to exceed amount of capital paid. P. G. L. 103. Deposits not to exceed 10 times amount of paid up capital and surplus.	None.
Maine	None.	None.
Michigan	None.	None.
Minnesota	None.	None.
Mississippi	None.	None.
Missouri	None.	Not to exceed 10 times capital. R. S. '99, §1427.
Montana	None.	None.
Nebraska	Not over 2/3 of capital to be invested in rediscounts and bills payable. C. S. '97, §633.	None.
Nevada[1]	None.	None.
North Carolina	None.	None.
North Dakota[1]	None.	None.
New Hampshire	None.	None.
New Jersey	None.	None.
New Mexico[1]	None.	None.
New York	None.	None.
Ohio	Not to exceed paid in capital; deposits, bills of exchange drawn against money credits and liabilities of stockholders for balance on shares not counted as liabilities. Bates' S., §§3821-78.	None.
Oklahoma	None.	None.
Oregon	None.	None.
Pennsylvania	None.	None.
Rhode Island	Not to exceed 6% of capital. Deposits not counted. G. L. '96, p. 543.	None.
South Carolina	Fixed by charter.	Fixed by charter.
South Dakota	None.	None.
Tennessee	Not to exceed assets. Code '96, §3226.	None.
Texas[2]	None.	None.
Utah	None.	None.
Vermont	None.	None.
Virginia	None.	None.
West Virginia	None.	None.
Washington	Debenture bonds not to exceed 10 times capital of corporation. Ballinger's S., '97, §4266.	None.
Wisconsin	None.	None.
Wyoming[1]	Not to exceed capital; deposits, bills of exchange for money due, rediscounts for cash, liabilities for capital stock and dividends not counted. R. S. '99, §3098.	.....

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE XVII A.

States and Territories.	Taxation. Banks. Rate and character.	Year of passage of law.
Alabama	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessor. Tax paid by bank. Code '96. §3911, ¶8; '97, p. 1489, §36.	1897
Arkansas	Real estate locally. Shares to owners where bank is located. Value fixed by local assessor. Tax paid by bank. Sandels and Hill's Digest '94, §§6445-54.	1883. S. & H. '94, p. 1429
Arizona	Real estate locally. Shares to owners where bank is located. Value fixed by local assessor. R. S. '87, §2649; '93, ch. 85.	1893
California	Real estate locally. Shares in national banks, real estate deducted, to owners where bank is located and by local assessor. '99, ch. 80. Capital stock of other banks to corporation. Shares not taxed to owners. '95, ch. 167; '99, ch. 80.	1899
Colorado	Real estate locally. Shares to owners where bank is located. Value fixed by local assessors. Tax paid by bank. Mill's S. §3810a; '93, ch. 139, §24.	1893
Connecticut	Real estate locally. 1% on market value of shares less taxes on realty in state. '01, ch. 165. Savings banks ¼ of 1% on deposits, deducting $50,000 real estate and state aid railroad bonds. G. S. '88, §3918.	1901 1878
Delaware	Real estate locally. R. S. '93, p. 114. ¼ of 1% on capital stock. R. L. '93, p. 54. ¼ of 1% on surplus above 25% thereof. R. L. '93, p. 589.	1869. '69, ch. 393.
Dist. of Columbia	$.50 on each $1000 of capital. Savings banks without capital stock, 1/40 of 1% on deposits every 6 months. C. S. D. C. '94, p. 344, §25. Capital stock, real estate deducted, assessed to bank. C. S. D. C. '94, p. 530.	1872 1877
Florida	Real estate locally. '95, p. 4, §6. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessors. Tax paid by bank. '93, p. 41; '95, p. 5. Taxed on trust deposits. '95, p. 5.	1895
Georgia	Real estate locally. Shares, real estate deducted to owners, where bank is located. Value fixed by local assessors. '00, p. 33, §12.	1901
Idaho	Real estate locally. Shares, real estate and debts deducted, to owner where bank is located. Value fixed by local assessor. Tax paid by bank. Deductions for debts. R. S. '87, §1441.	1887
Illinois	Real estate locally. '81, p. 133. Shares to owners where bank is located. Value fixed by local assessor. R. S. '99, p. 1400, §35.	1872
Indiana	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessor. '73, p. 214. Ann. Statutes. '97, §3257.	1873
Indian Territory	Shares to owner where bank is located. Value fixed by local assessor. Tax paid by bank. Ind. Terr. Statutes. '99, §§4944-53.	1887
Iowa	Real estate locally. '74, ch. 60, §28. Shares to owners, real estate deducted, where bank is located. Value fixed by local assessor. Tax paid by bank. Code '97, §§1322, 1323.	1890. '90, ch. 39. 1874
Kansas	Real estate locally. Shares, real estate deducted, at true value fixed by local assessor where bank is located. Tax paid by bank. G. S. '99, §7207.	1891. '91, ch. 84.
Kentucky	Real estate locally. '86, ch. 1233. Shares in national banks to owner where bank is located Tax paid by bank. '00, ch. 23. Other banks taxed locally on value of franchise fixed by state board. Shares not taxed. '92, ch. 103; 173 U. S. 636.	1900. '00, ch. 23. 1892.
Louisiana	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessors. Tax paid by bank. R. L. '97, p. 798.	1888. '88, ch. 85, p. 111.
Maine	Real estate locally. R. S. '83, ch. 6. Shares national and state banks locally. R. S. '83, ch. 6. Savings banks 7/8 of 1% on value of franchise fixed by state assessors. '95, ch. 130.	1845 1895
Maryland	Real estate locally. '96, ch. 120. Shares, real estate deducted, at market value fixed by state tax commissioner. Tax paid by bank. '96, ch. 120.	1896
Massachusetts	Real estate locally. Shares of stock at cash value where bank is located. '73, ch. 315.	1873
Michigan	Real estate locally. C. L. '97, §6148. Shares, real estate deducted, as personalty to owner at residence. Value fixed by local assessor. C. L. '97, §3831.	1893. '93, ch. 206.
Minnesota	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessor. Tax paid by bank. Statutes '94, §1532.	1878
Mississippi	Real estate locally. Code '92, §3749. Shares to owners where bank is located. Value fixed by local assessor. Tax paid by bank. '00, ch. 3.	1900
Missouri	Real estate locally. Shares, real estate deducted, to owners where bank is located and by local assessors. Tax paid by bank. R. S. '99, §9153.	1895. '95. ch. 242.

National banks can only be taxed on shares of stock in names of shareholders, and on their real estate. 173 U. S. 664; U. S. Sup. Ct., April 3, 1899.

SCHEDULE XVII A.—Continued.

States and Territories.	Taxation. Banks. Rate and character.	Year of passage of law.
Montana	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessor. Pol. Code, §3691. Banks and trust companies pay license from $10 to $100 a quarter according to business. Pol. Code, §4061.	1895
Nebraska	Real estate locally. Shares, real estate deducted, to owner where bank is located. Value fixed by local assessor. C. S. '97, §§4311-14.	1879. '79, p. 276.
New Mexico	Real estate locally. Shares, real estate deducted, to owner where bank is located. Value fixed by local assessor. Tax paid by bank, C. L. '97, §§257-9, 4025.	1891. '91, ch. 40.
Nevada	Real estate locally. C. L. '00, §1084. Shares to owner at residence. Value fixed by local assessor. '00, C. L. §1084. License from $12 to $200 a month, according to business done. C. L. '00, §1190.	1891. '91, ch. 99, §11
New Hampshire	Real estate locally. Shares, real estate deducted, to owners by local assessors. P. S. '01, p. 227. Savings banks, 3/4 of 1% on deposits drawing interest, real estate and mortgage loans in N. H. at not exceeding 5% deducted. P. S. '01, p. 229. Stock, savings banks 1% on guarantee fund or capital stock in addition to above. P. S. '01, p. 229.	1895. '95, ch. 108, ch 11b.
New Jersey	Real estate locally. Shareholders on actual value of stock in district of residence. '00, ch. 107.	1900
New York	Real estate locally. State tax of 1% on capital stock, surplus and undivided profits. No deductions. '01, ch. 550.	1901
North Carolina	License, $25 on $10,000 capital; $2 for each $1000 additional. Real estate locally. Shares, less real estate at actual value where bank is located for state purposes, and tax paid by bank to state treasurer. $25 for each branch bank. For local purposes shares are taxed where owner resides. '99, ch. 15, §40.	1899
North Dakota	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessor. Code '99, §1203.	1899. '99, ch. 29.
Ohio	Real estate locally. Shares to owners where bank is located. Value fixed by county auditor. Tax paid by bank. Bates' statutes, '97, §§2762-66, 2840.	1867
Oklahoma	Real estate locally. Shares to owner where bank is located. Value fixed by local assessor. Tax paid by bank. Statutes '93, §§5598-5601.	1893
Oregon	Real estate locally. Shares at par value to owners at residence. Hill's Laws, '92, §2764.	1870. Hill L. '92, p. 1290.
Pennsylvania	Real estate locally for local purposes. Shares, 2/5 of 1% on actual value, or 1% on par value at option of bank. Tax paid by bank. '97, ch. 227.	1897
Rhode Island	Real estate locally. Shares in national banks, real estate deducted, to owner at residence and by local assessor. Savings banks $.40 a $100 of deposits and profits, '93, ch. 1215.	1868 1893
South Carolina	Real estate locally. Shares at true value, real estate deducted, where bank is located and by local assessors. Tax paid by bank. R. S. '93, §252-60.	1882. '82, ch. 667, §1
South Dakota	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessor. Ann. S. '99, §2156.	1897. '97, ch. 28.
Tennessee	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessors. Tax paid by bank. Code '96, §§790, 791.	1895
Texas[1]	Real estate locally. Share, real estate deducted, to owners where bank is located. R. S. '95, §5080. Occupation tax, $25 to $240 according to population. R. S. '95, p. 1015.	1885 1889
Utah	Real estate locally. Shares, real estate and debts deducted, to owners where bank is located. Value fixed by local assessors. R. S. '98, §2507.	1896. '96, p. 426.
Vermont	Shares in national banks to owners at residence by local assessors. '92, ch. 16. Savings banks 7/10 of 1% on deposits; 10% of assets invested in United States bonds, and individual deposits above $1500 if listed elsewhere, to be deducted. '96, ch. 18.	1892 1896
Virginia	Real estate locally. Shares at market value to owners where bank is located and by local assessor. Rate, $.40 a $100. Tax paid by bank. '96, ch. 669.	1896
Washington	Real estate locally. Shares, real estate deducted, to owners where bank is located. Value fixed by local assessors. Tax paid by bank. Ballinger's Codes, '97, §4266. '97, ch. 147.	1897. '97, p. 147.
West Virginia	Real estate locally. Value of capital, real estate and debts deducted, assessed to firm by local assessor. Shares not taxed. Code '99, pp. 202, 203. License tax from $10 to $70 according to capital. '01, p. 111.	1887. '87, ch. 28. 1901
Wisconsin	Real estate locally. Shares where bank is located, and by local assessors. Statutes '98, §§1039, 1042, 2024.	1866. '66, ch. 102.
Wyoming	Real estate locally. Shares to owners at residence. Value fixed by local assessor. R. S. '99, §§1772-74.	1869. C. L '76, p. 564

[1] Schedule XIX.

SCHEDULE XVII B.

States and Territories.	Taxation. Trust companies. Rate and character.	Year of passage of law.
Alabama	No trust company legislation. Corporations are taxed same as banks. '98-9, p. 48; '01, p. 214. License tax $10 to $50 a year according to capital. '01 p. 229.	1901.
Arkansas	No trust company legislation. Corporations taxed on assets like individuals. Shares of stock taxed to owner as personal property. S. & H. Digest. '94, §§6462. 6463.	1887. S. & H. p. 1432.
Arizona[1]	No trust company legislation. Real estate of corporations taxed locally. Shares not taxed to owner if capital stock is taxed to firm. R. S., '87, §2849.	1887.
California	Same as for banks other than national, '99, ch. 80.	1899.
Colorado	Corporations taxed on actual or market value of real and personal estate by local assessors. Shares not taxed to owners, '93, ch. 139, §29. Attorney General's Report, '93-4, p. 34.	1902.
Connecticut	Same as for banks, '01, ch. 165.	1901.
Delaware	Same as banks. '93, p. 54.	1869.
Dist. of Columbia	Real estate locally, 1½% on gross earnings. Shares not taxed. U. S. Statutes at Large, vol. 26, p. 829. Capital stock, real estate deducted, assessed to company. C. S. D. C., '94, p. 530.	1890.
Florida	No trust company legislation. Same as for banks. '95, pp. 5, 13.	1895.
Georgia	Same as for banks. '98, p. 78. 1% on all premiums in addition. Paid to comptroller, '00, p. 28, §7.	1898. 1901.
Idaho	Real estate of corporations locally. Capital stock and other property in name of firm at value fixed by local assessor. Shares not taxed. R. S., '87, §§1440-2.	1887.
Illinois	Same as banks. R. S. '99, p. 1400.	1893. '98, p. 173.
Indiana	Real estate of corporations locally. Capital stock at full cash value, real estate and personalty deducted. Paid by corporation. Ann. S., '97, §§6337-8, 6279-80.	1891.
Indian Territory	No trust company legislation. No provisions for taxation of corporations except occupation tax to non-citizens. Am. Corporation Legal Manual, '01. p. 165.	.....
Iowa	Same as for banks. Code '97, §§1322, 1323.	1874. '74, ch. 60. 1890. '90, ch. 39.
Kansas[1]	Same as for banks. G. S., '99, §7207.	1891. '91, ch. 84.
Kentucky	Same as for banks. '92, ch. 103.	1892.
Louisiana[1]	Same as for banks. R. L., '97, p. 798.	1888. '88, ch. 85.
Maine	Real estate locally. Shares to owners locally. R. S., '83, ch. 6, §29.	1845.
Maryland	¾ of 1% on value of franchise fixed by state assessors. '95, ch. 130. Same as for banks. '96, ch. 120. 2% on gross receipts in addition. '96, ch. 120, §146.	1895. 1896.
Massachusetts	Real estate locally. '62, ch. 183. Market value of shares less real estate at average rate in state. Personalty held in trust at above rate. ¾ of average rate on other than demand deposits. '88, ch. 413.	1888.
Michigan	Real estate locally. Shares, real estate deducted to owner at residence and by local assessors. C. L. '97, §6168. 2% of gross premiums as surety on bonds. '97. ch. 106.	1889. '89, ch. 106. 1897.
Minnesota	Real estate of corporations locally. Shares, real estate deducted, at market value where corporation is located. Value fixed by local assessor. Statutes '94, §§1516, 1530.	1881.
Mississippi	Real estate of corporations locally. Assets taxed to firm. Shares not taxed to individuals. Code '92, §§3750-8.	1892. Code adopted.

[1] No trust companies in State.

SCHEDULE XVII B.—Continued.

States and Territories.	TAXATION. Trust companies. Rate and character.	Year of passage of law.
Missouri	Same as for banks. R. S. '99, §9153.	1895. '9
Montana	Same as for banks. Civil code §611.	ch. 242. 1893. '9
Nebraska	No trust company legislation. Real estate of corporations locally. Capital, debts and real and personal estate deducted at place of principal office. C. S. '97, §§4289, 4313.	p. 105. 1879. '7 ch. 276.
Nevada[1]	No special tax. No trust company legislation. License same as banks. C. L. '00, §1190. Real estate locally. Capital stock at actual value; shares not taxed. Property taxes deducted. C. L. '00, §§1084-9.	1893. '9 ch. 48.
New Hampshire	3/4 of 1% on deposits drawing interest, real estate and mortgage loans in N. H. at not exceeding 5% deducted, and 1% on capital stock, real estate deducted if not already deducted from deposits. P. S. '01, p. 229.	1895. '9 ch. 108.
New Jersey	Real estate locally for local and school purposes. True value of capital stock less real estate is taxed at local rate in office district. Capital property and franchises exempt from other taxes. '99, ch. 174.	1899.
New Mexico[1]	Same as banks. C. L. '97, §§257-9, 4025.	1891. '9 ch. 40.
New York	Real estate locally. '96, ch. 908. State tax of 1% on capital stock, surplus and undivided profits. '01, ch. 132.	1901.
North Carolina	No trust company legislation. Real estate of corporations locally. Capital stock less realty to company. Shares not taxed to owners. '99, ch. 15, §14.	1899.
North Dakota[1]	No special tax. Property of corporations assessed at market value, debts deducted, by local assessor. Code '99, §1198.	1897. '9 ch. 126, §
Ohio	Real estate locally. Shares where company is located. Value fixed by county auditor. Tax paid by company. This is for general corporations. No special law. Bates' S. '97, §§2758, 2762-6, 2840.	1867.
Oklahoma	No special law. Real estate of corporations locally. Corporations taxed locally like individuals. Shares taxed to owner at residence. Statutes §§5580-3.	1893.
Oregon	No trust company legislation. Real estate of corporations locally. Capital at place where principal office is located. Shares not taxed to individuals. Hills L. 92, §§2744, 2750.	1864. Hill's L. 1281.
Pennsylvania	Real estate locally for local purposes. 1/2 of 1% on actual value of capital stock. 4/10 of 1% on obligations held by residents. 2/5 of 1% on taxable securities held in trust. '91, ch. 200.	1891.
Rhode Island	$.40 a $100 of deposits. '98, ch. 1213. Shares, real estate deducted to owner at residence by local assessor. G. L. '96, p. 182.	1896. 1872.
South Carolina	No trust company legislation. Same as for banks. R. S. '93, §261.	1882. '8 ch. 677.
South Dakota	No special tax. Corporations taxed on market value of real and personal estate, debts deducted. Value fixed by local assessor. Ann. S. '99, §2153.	1897. '9 ch. 28.
Tennessee	Same as for banks. Code '96, §§790-1.	1895.
Texas[2]	No special tax. Occupation tax same as banks. $25 a year on filing statement. R. S. §642. Corporate property assessed like that of individuals by local assessor. R. S. §§5084, 5118.	1876. '7 p. 280.
Utah	Same as for banks. R. S. '98, §2507.	1896. '9 p. 432.
Vermont	Same as savings banks. '96, ch. 18.	1896.
Virginia	Annual license tax $200: 1% tax on gross annual receipts.	1890.
Washington	Same as for banks. There is no provision for organization of trust companies apart from banks. Ballinger's code '97, §4266.	1897. '9 ch. 147.
West Virginia	Same as for banks. Code '99, pp. 202-3; '01, p. 111.	1901.
Wisconsin	Real estate locally. License of $300 annually. 2% on net profits. Statutes '98, §1222k.	1891. '9 ch. 264.
Wyoming[1]	Same as for banks. No tax on capital stock of domestic corporations. R. S. '99, §1774.	1895. '9 ch. 87.

[1] No trust companies in State.

[2] Schedule XIX.

SCHEDULE XVIII.

States.	Restrictions on the use of the word "trust" in the title of corporations.
Indiana	Only corporations organized under Trust Act may use word trust in title. Horner's S. '01, §3815q.
Massachusetts	Only incorporated trust companies may use word trust in title. Exception in case of licensed insurance companies already in operation. '99, ch. 467.
New Jersey	Only corporations organized under Trust Act may use word in title. '99, ch. 174, §1.
New York	Only corporations formed under Banking and Insurance Laws may have word trust, banking, assurance, guaranty, savings, investment or loan as part of title. '00, ch. 704.

No other states appear to have such restrictions.

SCHEDULE XIX.—GENERAL REMARKS.

Alabama	No trust company legislation.
Arizona	" " " No companies in State.
Arkansas	" " "
Florida	" " "
Illinois	Banks may acquire trust powers.
Indian Territory	No legislation on banks or trust companies.
Kansas	No trust companies in State.
Louisiana	No legislation for other than banks with trust powers. No companies in State.
Massachusetts	No state banks in the state, other than savings banks.
Nebraska	No trust company legislation.
Nevada	" " " No companies in State.
New Mexico	Act provides for savings banks and trust associations, but usual trust powers not mentioned. No companies in State.
North Dakota	No trust companies in State.
Oregon	No trust company legislation.
South Carolina	No trust company legislation.
Tennessee	No trust company legislation.
Texas	No corporate body shall hereafter be created, renewed or extended with banking or discount privileges. Const. '76, Art. 16, §16.
Washington	No legislation for other than banks with trust powers.
Wyoming	No trust companies in State.

APPENDIX IV

TABLE I.—TRUST COMPANIES IN NEW YORK STATE.

From Reports of Superintendent of Banking.

Years.	No.	Capital.	Resources.	Trust deposits.	General deposits.
1875.....	12[1]	$11,584,475	$69,654,948	$29,442,552	$20,923,017
1881.....	13[2]	11,500,000	125,888,913	61,321,484	32,800,852
1885.....	20[2]	14,202,900	165,023,132	75,422,656	52,289,212
1886.....	20[2]	15,260,950	189,166,059	76,971,344	72,523,792
1887.....	21[2]	15,608,000	201,080,840	106,133,122	51,854,439
1888.....	25[2]	19,501,300	224,018,183	89,463,337	85,640,807
1889.....	29[2]	22,287,000	269,517,355	130,954,406	83,290,756
1890.....	32[3]	24,787,000	293,427,787	104,974,386	124,537,051
1895..... ..	38[4]	29,600,000	392,630,045	123,069,072	184,282,820
1898.....	44[3]	33,000,000	483,739,925	185,099,694	198,229,029
1899.....	49[3]	34,850,000	579,205,442	197,664,749	269,519,509
1900.....	59[3]	48,050,000	672,190,671	213,484,885	310,056,684
1901.....	57[3]	47,150,000	797,983,512	245,367,995	392,753,774

[1] June 30. [2] July 1. [3] January 1. [4] January 1, 1896.

TABLE II.—RESOURCES OF FINANCIAL INSTITUTIONS IN NEW YORK STATE.

From Report of New York Supt. of Banking, Feb. 26, 1901. p. 11.

Jan. 1.	Savings banks.	Deposit and discount banks.	Trust companies.	Safe deposit companies.[1]
1891.....	$667,865,396	$233,839,051	$280,688,768	$3,964,942
1892.....	675,987,634	271,830,699	300,765,575	4,370,117
1893.....	718,454,662	295,459,929	335,707,779	5,045,787
1894.....	704,535,118	271,496,822[2]	341,466,011	5,025,769
1895.....	735,863,598	284,911,631	365,419,729	5,102,689
1896.....	788,078,580	285,407,997	392,630,045	4,517,699
1897.....	812,173,632	280,691,855	396,742,947	4,677,325
1898.....	869,571,244	324,766,619	483,739,925	5,116,362
1899.....	932,420,861	355,485,972	579,205,442	5,197,996
1900.....	1,000,209,099	366,304,182	672,190,671	5,269,271
1901.....	1,066,019,216	380,711,930	797,983,512	5,255,452

[1] The Buffalo Loan, Trust and Safe Deposit Co., and the Rochester Safe Deposit and Trust Co., are not included with the Safe Deposit Companies, as they are given under the head of Trust Companies.

[2] November 28, 1892.

TABLE III.—TRUST COMPANIES.

States.	Years.	Number.	Capital.	Surplus and undivided profits.	Resources	Deposits.	Loans.		Notes.
							Collateral.	On personal security.	
New York.....	1875	12	$11,584,475	$5,144,083	$69,654,948	$50,365,569	$19,635,475	$13,092,646	N. Y. Bank Rept., '75, p. 156.
	1885	18	14,202,900	12,996,294	165,023,132	127,711,868	67,597,352	11,362,111	" " " '85, p. 10.
	1895	38	28,800,000	43,713,976	365,419,729	285,741,794	170,523,324	22,791,215	U. S. Comp. Rept., '95, p. 495.
									" " " '00, p. 566.
	1900	59	48,250,000	89,825,970	796,483,887	640,837,146	379,274,064	47,937,934	N. Y. Savings Bank Rept., '00, pp. 14, 546, 566.
Massachusetts	1875	5	1,821,400	1,269	9,033,335	6,924,308	.....	6,865,084	U. S. Comp. Rept., '75, p. XCVII.
	1885	6	3,300,000	1,137,155	24,280,745	19,640,061	.....	16,676,100	" " " '85, p. 177.
	1895	25	9,775,000	7,415,093	110,879,136	82,887,853	.....	87,252,636[1]	" " " '95, p. 495.
	1900	34	11,375,000	11,026,552	128,296,908	105,674,935	26,356,192	59,729,529	U. S. Comp. Rept., '00, p. 546.
Pennsylvania	1875	7	5,748,145	1,851,007	31,795 592	22,730,643	.....	18,613,957	" " " '75, p. XCVII.
	1885	9	8,375,000	5,789,868	56,323,164	37,309,424	.....	27,024,120	" " " '85, p. 177.
	1895	82	39,018,085	18,977,739	189,166,991	95,813,556	65,058,344	4,307,698	" " " '95, p. 495.
	1900[2]	110	41,682,615	33,335,002	278,813,542	168,824,969	102,664,630	11,306,059	Pa. Comnr. of Bkg. Rep't pt. 1, p. 644.
Illinois	1875	5	2,500,000[3]	725,000[3]	.....	5,688,574[3]	.....	.....	U. S. Comp. Rept., '75, p. XCVII.
	1885	..	.....	.....	.....	.....	.....	.....	.....
	1895[4]	9	9,854,610	4,485,151	61,401,002	44,277,012	.....	38,723,877	Auditor's Rept., 1895.
	1900[4]	12	14,100,000	7,751,547	136,747,024	114,595,449	.....	79,679,268	" " 1900.

[1] Includes stocks and bonds. [2] November 19, 1900. [3] For Chicago only. [4] State banks with trust powers.

TABLE IV.—STATE BANKS.

States.	Years.	Number.	Capital.	Surplus and undivided profits.	Resources	Deposits.	Loans.		Notes.
							Collateral.	On personal security.	
New York.....	1875	84	$24,915,090	$3,096,094	$107,071,918	$61,834,937	.....	$68,191,919	N. Y. State Bank Rept., '75, p. 7.
	1885	92	22,350,700	11,605,775	167,667,499	116,774,018	.....	97,928,129	" " " " '85, p, 6.
	1895	211	32,504,000	27,284,861	271,448,300	178,331,859	.....	159,438,635	" " " " '95, p. 6.
	1900	203	28,810,700	28,308,438	351,080,252	238,194,498	.....	201,578,995	" " " " '00, p. XXV
Massachusetts ... Figures for savings banks.	1875	179	There are no State banks in Mass. Banking is done by mutual savings banks with no capital and by trust co's.	3,490,934	220,943,055	217,452,121	$109,254,540[2]	54,607,174	U. S. Comp. Rept., '75, p. XCV.
	1885	168		10,939,875	273,916,918	262,720,147	98,979,283[2]	74,952,754	" " " '84, p. 178.
	1895	185		25,342,154	442,391,265	416,778,018	188,420,019	89,256,796	" " " '95, p. 496.
	1900	186		34,629,320	568,674,400	533,845,790	239,918,482	111,019,237	" " " '00, p. 552.
Pennsylvania	1875	121	11,022,906	2,140,689	40,391,878	25,666,376	.....	25,539,024	U. S. Comp. Rept.
	1885	81	8,050,205	2,366,028	39,714,836	28,161,754	.....	23,737,720	" " "
	1895	79	8,421,705	5,711,988	54,180,166	37,777,760	10,876,550	17,130,543	" " " p. 491.
	1900	95	8,422,014	8,390,120	91,694,739	73,345,813	.....	47,331,358	" " " p. 542.
Illinois[1].....	1895	132	18,379,500	13,203,962	131,286,415	94,885,367	.....	86,121,805	U. S. Comp. Rept., p. 491, etc.
	1900	155	18,375,000	12,828,110	224,909,888	153,496,886	.....	122,338,384	" " " p. 566. Auditor's Rept., '00, p.417.

[1] State banks, trust companies and stock savings banks.

[2] On real estate.

TABLE V.—NATIONAL BANKS.

States.	Years.	Number.	Capital.	Surplus and undivided profits.	Resources	Deposits.	Loans.		Notes.
							Collateral.	On personal security.	
New York.....	1875	281	$105,984,891	$50,126,806	$537,527,433	$261,766,669	.....	$280,504,564	U. S. Comp. Rept., pp. XVIII, 20.
	1885	317	83,220,410	48,584,519	650,437,014	401,270,399	.....	328,000,050	" " " pp. 38, 206.
	1895	334	86,936,040	82,621,345	834,617,688	560,320,125	$203,751,802	277,238,469	" " " pp. 376, 388, 550, 339.
	1900	336	97,218,210	97,720,013	1,312,870,212	1,024,626,127	418,346,119	278,939,723	" " " p. 354.
Massachusetts ...	1875	219	91,662,000	43,187,454	306,703,093	100,857,953	.....	167,194,848	" " " '75, p. 18.
	1885	249	96,577,500	30,860,688	359,686,135	155,653,862	.....	211,503,548	" " " '85, p. 204.
	1895	268	97,142,500	40,187,621	413,447,086	219,565,877	75,129,644	192,696,891	" " " '95, pp 376,388,546,339.
	1900	246	78,602,500	42,823,201	462,571,312	283,209,499	90,068,243	195,668,739	" " " pp. 354, 525, 706.
Pennsylvania	1875	204	53,010,240	23,153,319	235,458,451	96,871,885	.....	118,115,133	U. S. Comp. Rept., '75, p. 23.
	1885	285	60,312,440	29,744,870	309,665,516	161,833,716	.....	157,722,827	" " " '85, p. 209.
	1895	411	74,326,075	51,582,714	429,206,278	253,789,831	78,291,273	170,555,970	" " " '95, pp. 376,388,552,339.
	1900	478	76,519,770	66,434,159	686,711,153	473,418,540	140,386,128	209,930,868	" " " '00, pp. 729, 354.
Illinois	1875	141	20,138,670	9,637,049	87,830,525	45,051,027	.....	49,536 831	U. S. Comp. Rept., '75, p. 40.
	1885	165	23,834,600	9,368,243	140,710,290	87,553,577	.....	76,966,386	" " " '85, pp. 38, 227.
	1895	220	38,671,000	22,093,968	238,986,222	145,645,440	49,303,399	93,897,500	" " " '95, pp. 376,388,570,339.
	1900	241	35,897,765	23,318,044	398,359,484	254,707,544	70,460,594	138,647,137	" " " '00, pp. 697, 354.

TABLE VI.—TRUST COMPANIES.

States.	Years.	Number.	Capital.	Surplus and undivided profits.	Resources	Deposits.	Loans.		Notes.
							Collateral.	On personal security.	
Connecticut	1875	10	$2,200,000	$363,527	$5,711,438	$3,069,331	.....	$3,736,015	U. S. Comp. Rept., p. XCVII.
	1885	6	976,000	199,830	3,478,813	2,168,519	.....	2,117,580	" " " p. 177.
	1895	10	1,166,600	752,484	7,311,050	5,244,275	.....	4,394,042	.....
	1900	14	1,775,000	1,001,459	11,483,840	8,540,191	$1,061,875[1]	4,716,374	U. S. Comp. Rept., pp. 546, 562.
Rhode Island	1875	1	500,000	190,674	6,694,862	1,935,520	4	3,954,254	U. S. Comp. Rept., p. XCVII.
	1885	1	600,000	28,836	8,368,289	7,539,453	.....	4,130,156	" " " p. 177.
	1895	8	2,808,636	972,323	25,273,233	21,112,895	6,016,621	7,830,123	" " " pp. 494.
	1900	6	2,940,741	2,834,702	46,511,314	40,582,389	3,842,640	21,170,100	" " " pp. 547, 562.
Maine	1895	15	1,205,400	277,892	5,835,808	3,535,392	821,056[1]	2,576,256	U. S. Comp. Rept., p. 494.
	1900	17	1,601,700	729,907	12,152,207	9,058,640	1,095,463[1]	5,162,360	" " " pp. 547, 562.
New Jersey	1895	19	1,869,500	1,050,820	17,934,744	13,851,502	8,147,355	2,342,227	" " " pp. 494, 562.
	1900	30	5,560,800	5,307,890	52,673,028	40,045,780	.....	22,876,925	" " " p. 547.
Delaware	1895	2	1,000,000	269,181	3,302,039	1,880,277	870,490	581,098	" " " p. 494.
	1900	2	1,000,000	409,926	4,750,077	3,323,140	740,657	741,567	" " " pp. 547, 562
Maryland	1895	4	1,817,275	1,027,507	4,373,895	1,287,585	1,080,693	166,177	" " " p. 494.
	1900	6	4,616,000	4,501,222	13,785,359	4,201,875	4,453,805	240,274	" " " pp. 562, 547.
Dist. of Columbia	1895	3	3,250,000	484,067	9,348,272	4,463,249	.....	6,108,964	" " " p. 494.
	1900	4	4,148,750	848,297	16,047,722	10,719,937	.....	9,796,092	" " " pp. 547, 562.
Indiana	1895	3	1,400,200	113,447	1,891,095	229,675	835,402	.....	" " " p. 494.
	1900	12	2,467,000	340,276	7,183,120	3,677,329	3,532,002	44,187	" " " p. 547.
Minnesota	1895	9	3,895,837	641,949	6,790,223	1,559,782	1,958,260	.....	" " " p. 494.
	1900	6	2,236,076	169,753	4,222,299	989,203	1,052,368	.....	" " " p. 547.
Kentucky	1900	3	1,150,000	192,682	2,388,078	322,081	1,288,997	594	" " " p. 547.
Iowa	1895	9	1,699,872	5,264,835	10,283,579	1,913,196	7,136,306	1,723,690	" " " p. 494.
Missouri	1895	7	6,150,000	1,413,766	16,367,807	6,687,974	8,869,439	566,637	" " " p. 494.

[1] On real estate.

TABLE VII.

(Prepared for George Cator by The Bradstreet Company.)

LIST OF COMPANIES IN THE FOLLOWING STATES WHO ACT AS TRUSTEES OR ADMINISTRATORS AND EXECUTE SUCH FORMS OF TRUST.

Name.	Town.	State.	Stat.	Cap. & Sur.
Birmingham Trust and Savings Co.	Birmingham,	Ala.	12-31-01	$ 575,000
Alabama Trust and Savings Co.	Birmingham,	"	12-31-01	105,000
Peoples Savings Bank and Trust Co.	Birmingham,	"	12-31-01	78,000
Union Trust and Savings Co.	Montgomery,	"	12-31-01	45,883
Alabama Trust and Banking Co.	Sheffield,	"	12-31-01	60,000
Arizona None.				
Jonesboro Saving and Trust Co.	Jonesboro,	Ark.	12-31-01	50,000
Little Rock Trust Co.	Little Rock,	"	4-16-02	79,804
Cotton Belt Saving Trust Co.	Pine Bluff,	"	12-31-01	70,522
Union Trust Co.	Little Rock,	"	4-30-02	50,000
Broadway Bank and Trust Co.	Los Angeles,	Cal.	4- 1-02	113,000
State Bank and Trust Co.	Los Angeles,	"	12-31-01	525,000
Los Angeles Trust Co.	Los Angeles,	"	5- 1-02	450,000
Pasadena S. T. and S. D. Co.	Pasadena,	"	12-31-01	25,000
California S. D. and Trust Co.	San Fran.,	"	5- 1-02	1,241,607
Germania Trust Co.	San Fran.,	"	12-31-01	340,000
Mercantile Trust Co.	San Fran.,	"	4-30-02	1,000,000
Union Trust Co.	San Fran.,	"	12-31-01	1,252,189
East Florida Saving and Trust Co.	Palatka,	Fla.	12-31-01	30,000
Sanford Loan and Trust Co.	Sanford,	"	12-31-01	30,540
Citizens Bank and Trust Co.	Tampa,	"	12-31-01	175,000
Spokane and Eastern Trust Co.	Moscow,	Idaho.	4-30-02	100,000
Antlers Bank and Trust Co.	Antlers,	Ind. Ty.	6- 1-02	14,500
Citizens Bank and Trust Co.	Coalgate,	"	12-31-01	15,000
Territorial Trust and Surety Co.	Muskogee,	"	12-31-01	100,001
German Trust Co.	Davenport,	Iowa.	5- 1-02	72,361
Iowa Loan and Trust Co.	Des Moines,	"	4- 1-02	600,000
Citizens Saving and Trust Co.	Iowa City,	"	12-31-01	65,000
Wettstein Loan and Trust Co.	La Porte C.,	"	5- 1-02	50,000
Home Trust and Saving Bank	Osage,	"	12-31-01	27,546
Farmers Loan and Trust Co.	Sioux City,	"	5- 1-02	600,000
Leavitt and Johnson Trust Co.	Waterloo,	"	12-31-01	150,000
Kansas None.				
Louisiana None.				
Belzona Trust and Banking Co.	Belzona,	Miss.	12-31-01	25,000
Delta Trust and Banking Co.	Vicksburg,	"	5- 1-02	143,040
Walton Trust Co.	Butler,	Mo.	4-30-02	60,500
Fredericktown Trust Co.	Fredericktown,	"	4-30-02	125,000
Fidelity Trust Co.	Kansas City,	"	3-31-02	1,459,513
Missouri Union Trust Co.	Kansas City,	"	12-31-01	100,000
South Western Trust Co.	Kansas City,	"	3-13-02	63,276
United States Trust Co.	Kansas City,	"	12-31-01	250,000
Missouri Valley Trust Co.	St. Joseph,	"	4-30-02	100,000
American Central Trust Co.	St. Louis,	"	12-31-01	1,500,000
Colonial Trust Co.	St. Louis,	"	4-30-02	3,000,000
Commonwealth Trust Co.	St. Louis,	"	4-30-02	2,000,000
Germania Trust Co.	St. Louis,	"	4-30-02	1,673,460
Lincoln Trust Co.	St. Louis,	"	4-30-02	3,500,000
Mercantile Trust Co.	St. Louis,	"	12-31-01	3,500,000
Mississippi Valley Trust Co.	St. Louis,	"	4-30-02	6,500,000
St. Louis Trust Co.	St. Louis,	"	12-31-01	5,000,004
Missouri Trust Co.	St. Louis,	"	4-30-02	2,134,940
Union Trust Co.	St. Louis,	"	12-31-01	5,000,000
Union Bank and Trust Co.	Helena,	Mont.	12-31-01	125,000
Smith Bros. Loan and Trust Co.	Beatrice,	Neb.	12-31-01	128,000
Empire Loan and Trust Co.	Haigler,	"	5- 1-02	5,800
Lincoln S. D. and Trust Co.	Lincoln,	"	5- 1-02	25,500
Equitable Trust Co.	Omaha,	"	12-31-01	201,000
Nevada None.				
New Mexico None.				
North Dakota None.				

TABLE VII.—Continued.

Name.	Town.	State.	Stat.	Cap. & Sur.
Union Trust Co.	Oklahoma,	Okla.	12-31-01	46,500
Grants Pass Bank and Trust Co.	Grants Pass,	Ore.	12-31-01	25,000
Security Saving and Trust Co.	Portland,	"	12-31-01	260,000
Portland Trust Co.	Portland,	"	12-31-01	300,000
Farmers Loan and Trust Co.	Anderson,	S. C.	12-31-01	78,859
Columbian Bank and Trust Co.	Charleston,	"	12-31-01	53,000
Exchange Bank and Trust Co.	Charleston,	"	12-31-01	100,000
Hibernia Trust and Saving Bank	Charleston,	"	12-31-01	42,181
S. C. Loan and Trust Co.	Charleston,	"	12-31-01	105,908
Central Bank and Trust Co.	Sioux Falls,	S. Dak.	1-15-02	26,590
State Bank and Trust Co.	Sioux Falls,	"	12-31-01	69,438
Ashland City Bank and Trust Co.	Ashland C.,	Tenn.	12-31-01	4,750
Citizens Bank and Trust Co.	Chattanooga,	"	12-31-01	235,000
Clarksville Trust and Bank Co.	Clarksville,	"	12-31-01	50,000
Dayton Bank and Trust Co.	Dayton,	"	12-31-01	23,000
Dickson Bank and Trust Co.	Dickson,	"	12-31-01	19,900
Williamson Co. Bank and Trust Co.	Franklin,	"	12-31-01	150,000
Banking and Trust Co.	Jonesboro,	"	12-31-01	25,000
Knox Co. Bank and Trust Co.	Knoxville,	"	12-31-01	46,973
Lawrence Bank and Trust Co.	Lawrenceburg,	"	12-31-01	28,000
Lynnville Bank and Trust Co.	Lynnville,	"	12-31-01	23,000
American S. B. and Trust Co.	Memphis,	"	12-31-01	50,000
Memphis Trust Co.	Memphis,	"	4-30-02	462,073
Nashville Trust Co.	Nashville,	"	5- 1-02	390,623
Union Bank and Trust Co.	Nashville,	"	12-31-01	158,084
Com. Bank and Trust Co.	Pulaski,	"	12-31-01	36,927
Robertson Co. Bank and Trust Co.	Springfield,	"	12-31-01	32,500
Utah Savings and Trust Co.	Salt Lake C.,	Utah.	12-31-01	163,000
Burlington Trust Co.	Burlington,	Vt.	4-30-02	194,005
Enosburg Falls S. B. and Trust Co.	Enosburg F's,	"	12-31-01	27,894
Ludlow S. B. and Trust Co.	Ludlow,	"	12-31-01	50,000
Capital S. B. and Trust Co.	Montpelier,	"	12-31-01	120,000
Montpelier S. B. and Trust Co.	Montpelier,	"	12-31-01	105,000
Orleans Trust Co.	Newport,	"	1- 1-02	56,523
Richford S. B. and Trust Co.	Richford,	"	12-31-01	74,500
Proctor Trust Co.	Proctor,	"	5-10-02	41,500
Rutland Trust Co.	Rutland,	"	5- 1-02	99,151
State Trust Co.	Rutland,	"	12-31-01	100,000
Franklin Co. S. B. and Trust Co.	St. Albans,	"	1- 1-02	53,558
Citizens S. B. and Trust Co.	St. Johnsbury,	"	12-31-01	91,457
Lynchburg Trust and S. B.	Lynchburg,	Va.	12-31-01	215,000
Newport News Trust and S. D. Co.	Newport News,	"	12-31-01	50,000
Petersburg Bank and Trust Co.	Petersburg,	"	4-30-02	112,259
Radford Trust Co.	Radford,	"	5- 1-02	102,500
Richmond Trust and S. D. Co.	Richmond,	"	12-31-01	1,612,825
Virginia Trust Co.	Richmond,	"	12-31-01	604,507
South West Virginia Trust Co.	Roanoke,	"	6- 1-02	200,000
American S. B. and Trust Co.	Seattle,	Wash.	5- 1-02	50,000
Spokane and Eastern Trust Co.	Spokane,	"	4-30-02	100,000
Fidelity Trust Co.	Tacoma,	"	12-31-01	330,000
North West Loan and Trust Co.	Kenosha,	Wis.	12-31-01	60,965
Savings Loan and Trust Co.	Madison,	"	12-31-01	150,000
Wis. Fidelity Trust and S. D. Co.	Milwaukee,	"	12-31-01	125,000
Milwaukee Trust Co.	Milwaukee,	"	12-31-01	200,000

Wyoming None.

States and Territories.	Year.	Number.	Capital.	Surplus and undivided profits.	Total.	Notes.
Alabama[1]	1902	5	.....	.....	$ 863,883[2]	Table VII.
Arizona[1]	"	0	.....	.....	.....	"
Arkansas[1]	"	4	.....	.....	250,326[2]	"
California[1]	"	8	.....	.....	4,946,776[2]	"
Colorado[1]	1901	13	$ 1,987,100	$ 410,000	2,397,100	U. S. Comp. Rept., 1901.
Connecticut	"	16	1,939,000	1,151,980	3,090,980	" " " "
Delaware	"	3	1,050,000	499,378	1,549,378	" " " "
District of Columbia[1]	"	4	4,450,000	944,687	5 394,687	" " " "
Florida[1]	1902	3	.....	.....	235,541[2]	Table VII.
Georgia[1]	1901	34	3,745,500	941,700	4,687,200	U. S. Comp. Rept., 1901.
Idaho[1]	1902	1	.....	.....	100,000[2]	Table VII.
Illinois[3]	1900	12	14,100,000	7,751,547	21,851,547	Auditor's Rept., 1900.
Indiana	1901	29	3,424 320	572,272	3,996,392	U. S. Comp. Rept., 1901.
Indian Territory[1]	1902	3	.....	.....	129,500[2]	Table VII.
Iowa[1]	"	7	.....	.....	1,564,907[2]	"
Kansas[1]	"	0	.....	.....	.....	"
Kentucky[1]	1901	4	1,550,000	286,202	1,836,202	U. S. Comp. Rept., 1901.
Louisiana[1]	1902	0	.....	.....	.....	Table VII.
Maine	1901	17	1,601,800	924,416	2,526,216	U. S. Comp. Rept., 1901.
Maryland	"	5	4,950,000	5,663,214	10,613,214	" " " "
Massachusetts[4]	"	35	11,575,000	13,035,980	24,610,980	" " " "
Michigan[1]	1900	3	800,000	279,543	1,079,543	Comnr. of Banking Rept., 1900.
Minnesota	1901	7	1,971,300	222,252	2,193,552	U. S. Comp. Rept., 1901.
Mississippi[1]	1902	2	.....	.....	168,040[2]	Table VII.
Missouri[1]	"	17	.....	.....	35,996,689[2]	"
Montana[1]	"	1	.....	.....	125,000[2]	"
Nebraska[1]	"	4	.....	.....	359,100[2]	"
Nevada	"	0	.....	.....	.....	"
New Hampshire[1]	1901	8	535,000	95,054	630,054	U. S. Comp. Rept., 1901.
New Jersey	"	32	5,834,100	6,400,550	12,234,650	" " " "
New Mexico[1]	1902	0	.....	.....	.....	Table VII.
New York	"	70	53,225,000	113,775,648	167,000,648	N. Y. Supt. Bkg. Rept., 1902.
North Carolina[1]	1900	6	395,375	138,968	534,343	Corporation Comn. Rept., 1900.
North Dakota[1]	1902	0	.....	.....	.....	Table VII.
Ohio[1]	1900	14	4,107,500	701,109	4,808,609	Auditor's Rept., 1900.
Oklahoma[1]	1902	1	.....	.....	46,500[2]	Table VII.
Oregon[1]	"	3	.....	.....	585,000[2]	"
Pennsylvania	1901	115	47,805,686	36,309,509	84,115,195	U. S. Comp. Rept., 1901.
Rhode Island	"	9	3,760,498	3,882,299	7,642,797	" " " "
South Carolina[1]	1902	5	.....	.....	379,948[2]	Table VII.
South Dakota[1]	"	2	.....	.....	96,028[2]	"
Tennessee[1]	"	16	.....	.....	1,735,810[2]	"
Texas[1]	1901	22	2,498,282	125,000	2,623,282	U. S. Comp. Rept., 1901.
Utah[1]	1902	1	.....	.....	163,000[2]	Table VII.
Vermont[1]	"	12	.....	.....	1,017,588[2]	"
Virginia[1]	"	7	.....	.....	2,897,091[2]	"
Washington[1]	"	3	.....	.....	480,000[2]	"
West Virginia[1]	1900	4	149,950	16,649	166,599	Auditor's Rept., 1900.
Wisconsin[1]	1902	4	.....	.....	535,965[2]	Table VII.
Wyoming[1]	"	0	.....	.....	.....	"

[1] Unofficial. [2] Capital and Surplus. [3] Notes 65 and 66. [4] Notes 58 and 59.